Daily Report

Latin America

FBIS-LAT-92-115
Monday
15 June 1992

Daily Report
Latin America

FBIS-LAT-92-115 *15 June 1992*

CONTENTS

NOTICE TO READERS: An • indicates material not disseminated in electronic form.

NOTICE TO READERS CONCERNING EARTH SUMMIT: Reportage on the UN Conference on Environment and Development in Rio de Janeiro will be published in special Latin America DAILY REPORT supplements.

FRONT PAGE

INTER-AMERICAN AFFAIRS

'Group of Three' Leaders Meet in Caracas 2
President Gaviria Comments *[Caracas TV]* 2
Further on Meeting *[Caracas TV]* 2

CARIBBEAN

Cuba

Havana 'Will Violate' Embargo on Iraq *[Madrid EFE]* 3
Official on Reported Presence of ETA Members *[Madrid EFE]* 3
Castro Rio Speech Receives 'Prolonged Applause' *[Havana Radio]* 3
Station Commentary Views Earth Summit *[Havana Radio]* 3
Commentary Views Bush Visit to Panama *[Havana Radio]* 4
Report on Activities of Nuclear Affairs Office *[Havana TV]* 5
Correction to ANPP To Modify Constitution 5

Dominican Republic

Balaguer 'Hopes' for Haitian Leadership Dialogue *[Santo Domingo Radio]* 5
Quayle To Attend *[Port-au-Prince Radio]* 5

Haiti

Bazin Presents Policy, Cabinet to Senate *[Port-au-Prince Radio]* 6
Senators' Reaction *[Port-au-Prince Radio]* 6
Dominican Meeting Announced *[Port-au-Prince Radio]* 7
Wins Vote of Confidence *[Port-au-Prince Radio]* 7
Socialist Bloc Meets With FNCD Deputies *[Port-au-Prince Radio]* 7
Differences Unresolved *[Port-au-Prince Radio]* 7
Aristide-Founded Charity Burned; No Fatalities *[Port-au-Prince Radio]* 7

CENTRAL AMERICA

Panama

Bomb Reportedly Hurled at U.S. Army Fuel Tank *[ACAN]* 8
Further Reaction to Visit by U.S. President 8
Vice President Comments *[LA PRENSA 12 Jun]* 8
Cabinet Ministers Cited *[Panama City TV]* 8
Justice Minister Not Resigning *[Panama City TV]* 9
Legislator Reports Threats *[Panama City TV]* 10
Bush Visit 'Total Failure' *[LA ESTRELLA DE PANAMA 12 Jun]* 10
Panama's Image Tarnished *[CRITICA LIBRE 12 Jun]* 11
'In-Depth Purge' Needed *[LA PRENSA 12 Jun]* 11
Official Interviewed on Killing of U.S. Soldier *[Panama City Radio]* 11

Local Station Reports M-20 Message Over Radio *[Panama City Radio]* 13
Assembly Session Canceled Due to Bomb Threat *[Panama City Radio]* 13
Bomb Threat Delays Departure of Airline Flight *[ACAN]* 13

SOUTH AMERICA

Argentina

Armenian President Visits, Meets Menem *[Yerevan Radio]* 14
President Menem Returns From Earth Summit *[TELAM]* 14
* Changes in Social Security System Discussed *[CLARIN 3 May]* 14

Brazil

Dalai Lama Visits, Grants Interview 7 Jun *[FOLHA DE SAO PAULO 8 Jun]* 17
Collor Confers With Syria's Khaddam on Mideast *[Damascus Radio]* 18
Collor on Need To Approve Fiscal Reform *[O GLOBO 9 Jun]* 18
Country Willing To Guarantee Debt Agreement *[O GLOBO 6 Jun]* 20
IMF Recommends Further Fiscal Adjustments *[O ESTADO DE SAO PAULO 8 Jun]* 20

Colombia

'No Obstacles' to CNGSB Spokesmen's Return *[Santa Fe de Bogota TV]* 20
Spokesmen Demand Protection *[Santa Fe de Bogota TV]* 20
ELN Pipeline Attacks Affect Oil to Cuba *[Sante Fe de Bogota TV]* 21
Details of 12 Jun Attack *[Santa Fe de Bogota TV]* 21
Peace Adviser Urges Guerrillas To Stop Attacks *[Sante Fe de Bogota TV]* 21

Ecuador

Zimbabwean President Mugabe Meets With Borja *[Quito Radio]* 22
Visits Esmeraldas Province *[Johannesburg SAPA]* 22
Urges Pressure on Bush in Rio *[Johannesburg SAPA]* 22
Holds News Conference *[Quito Radio]* 23
Electoral Tribunal Gives May Election Results *[Quito Radio]* 23

Peru

President Fujimori Promises Peace by 1995 *[Lima TV]* 24
Minister Wants 'Subversive Groups' To Surrender *[Lima TV]* 24
Parties Reject Participating in National Dialogue *[Lima TV]* 24
Government Postpones Municipal Elections *[Lima TV]* 25

Venezuela

President on Resignations, Earth Summit *[Caracas TV]* 25
New Ministers Comment on Duties, Priorities *[Caracas TV]* 26
Development Minister Submits Resignation *[AFP]* 27
COPEI Deputy To Present Plan To Solve Crisis *[Caracas TV]* 27
Leftist Leaders Comment on COPEI Withdrawal *[Caracas TV]* 27
AD Leader Remarks Further on COPEI Withdrawal *[Caracas TV]* 28
Caldera Says Perez Resignation 'Would Be Relief' *[Mexico City NOTIMEX]* 28
Calderon on COPEI Withdrawal, Perez Resignation *[Caracas TV]* 28
Interior Minister on Trial of Former Guerrillas *[Caracas TV]* 29

Panama

ACAN reports a "package of explosives" was "hurled from a moving vehicle at a U.S. Army South fuel storage tank."

LA PRENSA reports Vice President Guillermo Ford "asserted that it was 'unforgivable' for the policemen in charge of security at Plaza Porras to have 'impassively' allowed a small group of demonstrators to cause 'so much disorder' during U.S. President Bush's visit there." He also recommended that "'an investigation be begun immediately' to establish who was to blame for the disturbances." Panama City TV reports "government officials" have asked President Endara to "adopt disciplinary sanctions." Panama City radio reports the 12 June Legislative Assembly session was canceled due to a bomb threat.

Cuba

EFE reports from Rio de Janeiro that "the Cuban Government will violate the international economic embargo imposed on Iraq and that it will buy oil from that country." "A commercial agreement" was signed by Fidel Castro and Iraqi Deputy Prime Minister Tariq 'Aziz. Cuba "hopes to overcome the serious energy crisis it has been facing" due to the suspension of supplies from the former Soviet Union and the U.S. blockade.

Haiti

Port-au-Prince radio reports Prime Minister-Designate Marc Bazin presented his "declaration of general policy" and his cabinet list to the Senate on 12 June. One of the government's duties will be the "resumption of negotiations to find a solution to the crisis." He insisted on "family planning, an increase in the productivity of Haitians, more accountability for public finances, priority on imports, and investment in the national economy." Bazin announced "an emergency plan on behalf of the government and the creation of 100,000 jobs for the coming year. He also announced an increase in the minimum wage." Port-au-Prince radio reports on 13 June that Bazin "unanimously won the vote of confidence of the Senate" with "14 senators in favor and one abstention."

Venezuela

Caracas TV carries a speech by President Perez at a ceremony to swear in three new cabinet members. He says he regrets the COPEI decision to withdraw its members from the cabinet. He says "I sincerely deplore the fact that it should come at a time when there are clear signs of advancement in the achievement of the national agreement..." He explains the reasons for requesting permission from the Senate to attend the Earth Summit in Rio de Janeiro and says "this trip would have made it possible for me to demonstrate to Venezuelans that normalcy prevails in the country's institutions, and that I can meet the obligations as head of state, both in Venezuela and abroad," and "the parliamentary skirmish that occurred was regrettable and inexplicable, because if any visit could be termed unobjectionable, it was that one." He says, "The country is asking with concern and anxiety what course it must follow. I want to confirm that the solution lies in concretizing the great national agreement..." He calls on all Venezuelans to get to work. President Perez swore in the following new cabinet ministers: General Fernando Ochoa Antich, foreign minister; Air Force General Ivan Jimenez Sanchez, defense minister; and Carlos Hernandez Delfino, investment fund minister, reports Caracas TV.

Peru

Lima TV reports that "on 12 June the political parties announced that they will not participate in the national dialogue sponsored by the government." In a letter addressed to Minister Jaime Yoshiyama, acting president of the Council of Ministers, they stated that "they will only participate in a political dialogue that exclusively deals with restoring democracy," Lima TV adds.

'Group of Three' Leaders Meet in Caracas

President Gaviria Comments

PA1206202292 Caracas Venezolana de Television Network in Spanish 1917 GMT 11 Jun 92

[Statement by Colombian President Cesar Gaviria, representing the Group of Three presidents, at the Simon Bolivar International Airport in Maiquetia, Venezuela on 11 Jun—live]

[Text] It was the wish of the Group of Three [G-3] presidents to hold a news conference an hour ago. However, we are unable to meet with you because the working meeting took longer than expected. Mexican President Carlos Salinas and I must arrive on time in Rio today. For this reason, we will not be able to answer personally the journalists' questions.

The G-3 presidents joint declaration for this 11 June meeting will be distributed to you. However, I would like to highlight the following topics that are covered in our joint declaration:

The three presidents of the G-3 countries are willing to sign a free trade agreement before the end of 1992. President Perez and I trust we will be able to resolve any problems with the Andean Group so that we can sign this agreement with Mexico before the year ends. We will handle the negotiation process and resolve the problems [words indistinct] simultaneously. We have accepted the proposal sent by the Mexican Government to the Andean Group commission president—currently, the Ecuadoran minister of industry and commerce—to study a core treaty from which we would progress to other bilateral trade agreements with Mexico.

In our statement you will also notice that the three G-3 presidents and their governments support the establishment of a new world coffee pact. We also express our concern for the technical proposal presented to the European Community regarding banana imports.

The presidents also discussed the advances we have made in the fields of trade, energy, communications, environment, culture, tourism, finance, cooperation with Central America, [words indistinct] maritime and air transportation. We presidents have commented on each of these topics in our statements.

The commerce ministers of our three countries are going to answer your concerns regarding the G-3 meeting because commerce was by far the most important topic covered at said meeting and the one to which we devoted most of our time. The three ministers will remain in Caracas and will be able to answer your questions. Thank you very much.

Further on Meeting

PA1206043892 Caracas Venezolana de Television Network in Spanish 0000 GMT 12 Jun 92

[Text] The presidents of Colombia and Mexico, Cesar Gaviria and Carlos Salinas de Gortari, reiterated to Venezuelan President Carlos Andres Perez that they support the Venezuelan Government and the people's efforts to strengthen their democratic institutions. They likewise stressed that the preservation of such values as democracy and respect for human rights are a basic pledge of the Group of Three [G-3].

During the G-3 meeting, the presidents of Colombia, Mexico, and Venezuela examined the progress made in such areas as trade, energy, telecommunications, environment, culture, tourism, finance, maritime and aerial transportation, and cooperation with Central America and the Caribbean.

Since one of the group's main goals is to advance the free trade process before the year ends, it was agreed that Venezuela and Colombia will promote efforts to strengthen economic relations between the Andean Group and Mexico. This will facilitate the establishment of a broad economic area. Colombian Foreign Trade Minister Juan Manuel Santos and Venezuelan Development Minister Pedro Vallenilla expressed their views on this issue:

[Begin recording] [Santos] I believe it is very important that private businessmen from the three countries expressed support for the process. I believe it is indicative of progress for Mexico, Venezuela, and Colombia. The goals of integration are greater economic growth, increased employment, and greater progress.

[Vallenilla] We are not only seeing a broadening of markets for Colombia in Venezuela and vice versa, but we are seeing something very important: the creation of joint businesses, mixed businesses that use both countries' comparative advantages. This makes them truly competitive advantages, because our world is increasingly global. Based on this experience, and with the broader market we will have—and for this we have a mandate to reach an agreement before the end of 1992—it is evident that Mexico's participation in these agreements will be quite positive. [end recording]

On the issue of telecommunications, the three presidents decided to continue conversations regarding satellite-related cooperation and the leveling off of international telephone tariffs. With regard to joint cooperation with Central America and the Caribbean, they agreed to propose a meeting with the presidents of Central America, which will be held during the final quarter of 1992 in Venezuela.

To conclude, we must point out that, after the meeting, the three presidents confirmed their conviction that the G-3 is precisely the most suitable mechanism through which to achieve economic cooperation and integration between Venezuela, Colombia, and Mexico.

Cuba

Havana 'Will Violate' Embargo on Iraq

PY1406202792 Madrid EFE in Spanish 1848 GMT 14 Jun 92

[Excerpt] Rio de Janeiro, 14 Jun (EFE)—The ESTADO news agency reported today that the Cuban Government will violate the international economic embargo imposed on Iraq and that it will buy oil from that country.

According to ESTADO, a commercial agreement in this regard was signed early this morning by Fidel Castro, president of the Cuban Council of Ministers, and Iraqi Deputy Prime Minister Tariq 'Aziz, who are in Rio participating in the presidents' Earth Summit that concluded today.

With this agreement Cuba hopes to overcome the serious energy crisis it has been facing since the former Soviet Union suspended the shipment of subsidized oil to the island, as well as the commercial blockade against it sponsored by the United States.

Fidel Castro, who also met in Rio de Janeiro with PLO representatives, held a long meeting with 'Aziz that concluded early this morning.

According to ESTADO the leaders of the two countries signed agreements to guarantee the supply of Iraqi oil in order to satisfy Cuban oil needs.

The UN Security Council imposed a total international economic embargo on Iraq in August 1990 as a punishment for the military invasion of Kuwait, which led to the war in the Persian Gulf. [passage omitted]

Official on Reported Presence of ETA Members

PA1106161092 Madrid EFE in Spanish 1348 GMT 11 Jun 92

[Text] Havana, 11 Jun (EFE)—Jose Ramon Fernandez, vice president of the Council of Ministers, has told EFE that Cuba does not facilitate the presence of members of the ETA [Basque Fatherland and Liberty] terrorist organization on its territory.

The Cuban leader clarified his government's stand in the wake of reports in Spain that ETA activists reportedly sought refuge in Cuba and other Latin American countries, including Mexico, Venezuela, and Argentina, to escape police persecution in Spain and France.

"No country with a considerable tourist influx, such as ours, can guarantee that no one will be able to enter clandestinely, but you can rest assured that the Cuban Government does not promote the presence of ETA members in Cuba," Fernandez added.

Fernandez said that he has no information about the alleged presence in Cuba of ETA leader Miguel Angel Apalategui Ayerbe, "Apala," as has been reported recently by the Spanish media.

(The possibility that Cuba could be one of the countries in which ETA members might seek temporary refuge gained force following the downfall of its leaders in France in February, and the subsequent arrest of 11 ETA members in Montevideo, where they had established themselves illegally).

Five ETA activists who were deported from France, and temporarily stayed in Panama, have resided in Cuba since 1984 with the Spanish Government's full knowledge. The Spanish Government had applied pressure to expel them from their operations base in France.

Fernandez added that "Cuba has made no decision regarding the possible acceptance of other deported ETA members, and this issue has not been brought up. As you know, Cuba has no intention of altering the status of those who are already here."

Castro Rio Speech Receives 'Prolonged Applause'

FL1206191392 Havana Radio Rebelde Network in Spanish 1700 GMT 12 Jun 92

[Telephone report by Orlando Contreras from Rio de Janeiro, Brazil—live]

[Excerpt] You have just listened to the words by Fidel and the ovation he received at the plenum of the UN Conference on Environment and Development [UNCED], the Rio summit. With all objectivity, I can tell you that Fidel's brief speech was received with heavy and prolonged applause. This had not happened until that moment. Even President Bush joined in the applause, maybe in order not to be left isolated once again at this Rio summit. Our commander in chief was the 15th speaker of the morning session, which was chaired by Fernando Collor de Mello, the head of state of the host country.

The Brazilian president had requested from the distinguished speakers that they limit themselves to the seven minutes established for each president or head of state. While en route to the podium, Fidel signaled him with his hand and in a low voice said: Five minutes. But they were five minutes which shook the assembly, and if they are broadcast to all the people of the world, they will also become five minutes which will move what is best and most generous in mankind. [passage omitted]

Station Commentary Views Earth Summit

PA1206035692 Havana Radio Havana Cuba in Spanish 0100 GMT 11 Jun 92

["Our America" commentary by Manolo Ortega]

[Text] The UN Conference on the Environment and Development in Rio de Janeiro has entered a crucial

stage in facing such controversial problems as environmental protection and financing for the development of poor countries.

It is true that over the last few days, while analyzing the damage done by man to his surroundings, both rich and poor countries have been criticized. However, few doubt the fact that the blame is not shared equally by both groups. After an in-depth study, it was found that not all the planet's inhabitants apply the same environmentally predatory methods, and the proceeds from the massive exploitations are not equal, either.

It is no secret that the highly industrialized countries are the ones who enjoy civilization's advances. They are also the ones who contaminate the atmosphere the most with toxic gases that enlarge the hole in the ozone layer daily and cause acid rain that destroys plants and pollutes rivers.

Pouring toxic waste into the oceans must also be identified as one of the serious actions that contaminates the seas. That action kills marine life or causes damage that is subsequently transferred to humans as part of the food chain.

Many different studies have been carried out that point an accusing finger at the industrialized countries, which, in order to save money, turn Third World countries into garbage dumps instead of recycling residue and garbage.

The countries receiving the waste that threatens man's health and contaminates the flora and fauna only receive $30 per ton of garbage. Thousands of square kilometers of forests are cut to indiscriminately use wood from trees that sometimes are as much as 100 years old.

During the Rio conference, it has been clearly established that rich and poor, developed and underdeveloped, must not be judged equally, because while some spend countless amounts to support their outrageous consumption, others live in a desperate misery that prevents their access to even the most basic items for their subsistence.

That is why poverty is one of the main problems that must be solved by the participants in the so-called Earth Summit. Another problem that must be solved is the need for rich countries to provide more financing for programs to alleviate the deterioration in the standard of living of a huge number of inhabitants of the planet so the environment can be preserved.

Another of the main proposals for the preservation of the environment is to divert spending from enormous weapons production budgets toward environmental conservation.

On the other hand, we cannot neglect the fact that most of the poor countries—and Latin America is a good example—have enormous foreign debts. If the problem of paying those debts is not solved, those countries will always have limited abilities for protecting the environment. In the meantime, countries like the United States, with a high level of development and one of the greatest contaminators of the environment, refuse to provide basic support so the poor countries may advance toward sustained development and may therefore be able to protect their ecology.

The UN Conference on the Environment and Development is doubtlessly going through crucial moments shortly before the heads of state meet to decide on topics such as aid to the so-called Third World countries, the protection of forests, and other problems.

Commentary Views Bush Visit to Panama

PA1306043892 Havana Radio Havana Cuba in Spanish 0100 GMT 13 Jun 92

[Station commentary read by Ignacio Camejo]

[Text] One cannot provoke the wrath of a nation without suffering the consequences. U.S. President George Bush, who is attending the United Nations Conference on the Environment and Development in Brazil, is not only being looked upon with contempt at that event, but he also experienced a humiliating situation on 11 June in Panama during a brief visit to that country on his way to the Rio summit. It is noteworthy that the U.S. leader insisted on holding several public events in Panama despite various acts of disapproval against him that had been carried out for a week by large, angry sectors of the isthmian population. Those same sectors saw the visit as a provocation by the head of the U.S. administration, who was even thinking of delivering a 15-minute speech at a central public square, supported by his personal security personnel and a security operation set up for the occasion.

President Bush paid no attention to the views, demonstrations, attacks against U.S. soldiers and installations, and other forms of rejection expressed by Panamanians. Those incidents clearly demonstrated that Bush's presence elicited negative reactions from everyone who cannot forget the consequences of the December 1989 military invasion. The widespread nationalist feeling of the Panamanians is what flourished during the days preceding the President's visit. The U.S. head of state, however, justified his five-hour stay in Panama by calling it an expression of support for so-called Panamanian democracy and an attempt to reinforce narcotics operations with the local leadership.

Ill-informed U.S. political sectors said Bush was going to Panama to harvest the fruits of what is considered to be one of their most successful military operations and to receive the applause of a people who want U.S. presence in their country to continue. Nothing could be further from the truth. The majority of Panamanians want the United States to leave the country the last day of 1999 in compliance with the Torrijos-Carter Treaty, and they do not hide their feelings about it. That feeling has become stronger after the 1989 invasion. That military action, which left a total of 5,000 people dead and thousands homeless, was not the salvation operation the United

States had preached it would be. Besides being an interventionist move and an affront to Panamanian sovereignty, it worsened the social economical situation in the country. More than 54 percent of Panama's 2.5 million population lives in poverty, and the unemployment rate runs higher than 15 percent. Crime and other social problems also increased after the U.S. military invasion. All of those problems—not to mention the memory of the interventionist actions of 1989 and the deployment of 1,500 riot police and U.S. soldiers—forced President Bush to be hurriedly whisked off the specially built platform at the central Plaza Belisario Porras, but not without first feeling the effects of tear gas and hearing the cries of rejection from the Panamanians.

This very brief visit to Panama became the frustrated expression of an arrogant attitude and demonstrated that the United States knows nothing about the Panamanian people's feelings.

Report on Activities of Nuclear Affairs Office

FL1306012292 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 13 Jun 92

[Text] The third regional office for nuclear affairs in the country is located in Camaguey. It also serves Ciego de Avila and Las Tunas Provinces. Only 14 workers, including nuclear engineers, physicists, and chemists, carry out varied activities aimed basically at radiological protection at enterprises and entities through specific monitoring of facilities where equipment that emits some radiation is operating, such as hospitals. The workers also oversee the national network for environmental radiological safety, for which they have a mobile laboratory, with which they take samples of possible radioactive elements in the atmosphere in order to control them.

The near future of the regional office includes plans to implement specific techniques for agriculture, industry, and the economy in general. For example, it is possible to irradiate certain crops and thus promote better yields.

[Begin recording of unidentified worker] This is not something that is already being done. Rather, it is something we are working on in order to begin this, to begin to work with this, and it should give good results in the future. There are nuclear irradiation techniques, for example, which produce new varieties of crops—for example, beans—which can yield two or three times as much as the initial varieties. There are also higher quality fodder plants with higher yields. So in general, nuclear techniques can be used to obtain greater efficiency and higher yields in agricultural and industrial production. [end recording]

Correction to ANPP To Modify Constitution

FL0706200392

The following correction pertains to the item headlined "Commentary on ANPP To Modify Constitution," published in the 8 June Latin America DAILY REPORT, pages 19-20:

Page 19, column two, last paragraph, sentence two make read: ...us to forget about everything except trying to live, and leave for later this thinking about how to live, what variations we could allow, and how we are going to live in the future. (rewording);

Page 20, column one, first full paragraph, sentence one make read: ...and despite current vicissitudes, and precisely because... (supplying indistinct word).

Dominican Republic

Balaguer 'Hopes' for Haitian Leadership Dialogue

FL1206153392 Santo Domingo Cadena de Noticias in Spanish 2000 GMT 12 Jun 92

[Text] President Joaquin Balaguer has stated that he hopes the Haitian crisis can be resolved through dialogue among the principal Haitian leaders. Balaguer refuted declarations by Vice Foreign Minister Favio Herrera Cabral, who denied that efforts were being made to hold a Haitian summit in the Dominican Republic with the purpose of solving the Haitian crisis. Balaguer said that to-date, deposed Haitian President Jean-Bertrand Aristide has shown little interest in participating in the summit which will be held in the Dominican Republic.

[Begin Balaguer recording] What we have been trying to avoid is for solutions that are not truly democratic to be implemented in solving the Haitian problem. We have been in contact with several Haitian leaders, the main leaders of the various political sectors. Some of them are in favor of President Aristide and some are against him. Some strictly favor the application of constitutional rule and others, on the contrary, call for implementing different principles.

This is why we are sponsoring a summit in the Dominican Republic among the main Haitian leaders and with the participation of President Aristide. So far, President Aristide has not shown interest in attending. He rightfully demands that the OAS-sponsored Washington Agreement be completely fulfilled. This accord has been only partially fulfilled. [end recording]

Quayle To Attend

FL1206173392 Port-au-Prince Radio Tropic FM in Creole 1200 GMT 12 Jun 92

[Text] The 10 June issue of the Dominican newspaper, EL NACIONAL, announced the visit of U.S. Vice President Dan Quayle who will participate in the Haitian

summit which is to take place under the auspices of President Balaguer and the OAS.

Victor Benoit, of the National Congress of Democratic Movements [CONACOM], in speaking with the press today, said he was informally aware of this news, and that he sees no reason for this to prevent CONACOM from participating once it becomes official.

Haiti

Bazin Presents Policy, Cabinet to Senate

FL1306002792 Port-au-Prince Radio Metropole in French 2100 GMT 12 Jun 92

[Excerpts] The designated head of government presented his declaration of general policy to the Senate of the Republic. This presentation took place after several hours of discussions at the Upper Chamber on 12 June. Prime Minister-Designate Marc Bazin then described his plan of action. The vote of confidence or not, however, will come in the next few days. The probable head of the consensus government will have to provide a complete list of his cabinet.

Eight ministers out of 12 are already known. They are Winer Frot, Finance Ministry; Moise Senatus, Justice Ministry; Adrien Westerben, Health Ministry; Jean-Andre Victor, Planning Ministry; Andre Brutus, Social Affairs Ministry; Jean Carmelo Pierre-Louis, Public Works, Transportation, and Communications Ministry; Jacque Baker, Agriculture Ministry; and Francois Benoit, Foreign Affairs Ministry. Prime Minister-Designate Bazin claimed he will present before 14 June the four other members of his government.

[Paris AFP in Spanish at 2149 GMT on 14 June carries a similar report which adds the following to Bazin's cabinet: "Education: Max Carre, Commerce: Jean Robert Delsoin, Information: Andre Calixte, Interior and Defense: Carl Michel Nicolas"]

Three senators, Mondestin, Parent, and Opont specifically sought a postponement of the session. They asked for the presence of the entire cabinet before the presentation of the general policy. On the proposal of Senator Jean-Baptiste, the Senate decided to listen to Marc Bazin before the vote of confidence.

Prime Minister-Designate Marc Bazin, in presenting his general policy, paid homage to President Nerette, together with his Prime Minister Honorat; the Army; and the parliamentarians. Marc Bazin made a point of hailing ousted President Aristide for having mobilized the population for the 16 December elections.

The Movement for the Establishment of Democracy in Haiti leader recognizes that his task will be difficult. However, he counts on succeeding thanks to everyone's support. He said: My government will not be either right nor left. He added: It will be a government that will be composed of men and women, known for their democratic will. The prime minister-designate stated that one of his government's duties would be the resumption of negotiations to find a solution to the crisis. Marc Bazin also insisted on reinforcing the democratic institutions in the country. He added a number of points to the social and democratic pact voted by the deputies. [passage omitted]

Marc Bazin described the economic situation as a very sad picture. He said that it is necessary to have a viable economy and a fair society. He added that the only way to eliminate poverty is to increase jobs for poor people. The prime minister-designate thinks that it is necessary to have 70,000 new jobs every year.

Marc Bazin insists on family planning, an increase in the productivity of Haitians, more accountability for public finances, priority on imports, and investment in the national economy. Marc Bazin announced an emergency plan on behalf of the government and the creation of 100,000 jobs for the coming year. He also announced an increase in the minimum wage. [passage omitted]

The new prime minister-designate stated that with regard to the fiscal plan, what is due to the state, will be paid and used for the country's welfare. Ending his address, Marc Bazin asked for the unity of the Haitians to achieve these difficult steps.

Marc Bazin also spoke today of total freedom of the press. The new Haitian prime minister, who will take office in the coming days, gave the guarantee of respect for the press by his government.

Senators' Reaction

FL1306161892 Port-au-Prince Radio Tropic FM in Creole 1200 GMT 13 Jun 92

[Excerpts] Marc Bazin, the prime minister resulting from the Villa d'Accueil Agreement, appeared again yesterday, 12 June, before the Senate of the Republic to outline the general policy of the government he will lead. Bazin announced yesterday that he will resume negotiations with the OAS to find an acceptable solution that meets the expectations of the people, the international community, and all the concerned parties. Under my government, he said, the press will be respected. He assured the senators that he will work for the reopening of the media which has been closed since 30 September. Following is a report.

[Begin unidentified reporter recording] Although Marc Bazin presented his general policy to the Senate on 12 June, he did not succeed in getting a vote of confidence because some senators required that he present the complete list of his ministerial cabinet first. This prompted numerous discussions. Senator Clark Parent pointed out that according to the Constitution, Bazin needs the vote of 15 senators, not including the Senate president, to be approved as prime minister. In the midst

of debate, the senator added: What is being done is a debate of ideas; one must be competent to participate in it. [passage omitted]

Sen. Opont referred to Article 158 of the Constitution concerning the cabinet of the prime minister and asked Bazin if he had handed over to the office of the Senate the cabinet list. [passage omitted]

Sen. Rony Mondestin said that there may not be consensus about the man, but that there must be consensus about the program. [passage omitted]

After much discussion, the prime minister-designate read his general policy. He congratulated Nerette and Honorat for having accepted the country's leadership. He paid homage to the Senate, especially to Sen. Dejean Belizaire; to the Haitian Armed Forces; and to Jean-Bertrand Aristide. In his declaration of general policy, he said that his government will create 10,000 jobs within one year. [passage omitted] [end recording]

Dominican Meeting Announced

FL1306165092 Port-au-Prince Radio Metropole in French 1400 GMT 13 Jun 92

[Text] Marc Bazin has confirmed that a meeting on the Haitian political crisis will be held within the next few days in the Dominican Republic. While outlining his general policy before the Senate yesterday 12 June, Bazin announced that he will go to the Dominican Republic immediately after his ratification to resume the negotiations concerning the Haitian crisis.

Dominican diplomatic sources announced this meeting between Marc Bazin, Haitian parliamentarians, and political leaders at the beginning of the week. Possible participation by deposed President Aristide and an OAS delegation was not ruled out.

Wins Vote of Confidence

FL1306231392 Port-au-Prince Radio Nationale in Creole 2230 GMT 13 Jun 92

[Report by unidentified Radio Nationale correspondent from the Senate—live]

[Text] The vote that just took place, yielded 14 senators in favor and one abstention which was Senator Rony Mondestin from the north. Even Senator Robert Opont and Sen. Yvon Gislain voted in favor. We can then say that the consensus government Prime Minister-Designate Marc Louis Bazin unanimously won the vote of confidence of the Senate of the Republic. The next step is in the House of Deputies where the prime minister is due to present his general policy declaration.

Socialist Bloc Meets With FNCD Deputies

FL1206181992 Port-au-Prince Radio Metropole in French 1600 GMT 12 Jun 92

[Text] The deputies of the socialist bloc have responded to the invitation from their colleagues from the National Front for Change and Democracy, FNCD, to debate the political situation following the ratification of Marc Bazin as prime minister within the framework of the tripartite agreement.

The socialist deputies did not attend the meeting planned for yesterday. We have learned that they received the invitation late. The meeting is therefore being held today at the premises of the the National Congress of Democratic Movements.

Differences Unresolved

FL1306162192 Port-au-Prince Radio Metropole in French 1400 GMT 13 Jun 92

[Text] Nothing concrete has resulted from yesterday's meeting between the socialist leaders and those of the National Front for Change and Democracy [FNCD]. After boycotting the Thursday 11 June meeting, the National Progressive Revolutionary Party of Haiti [PANPRA] made an appointment for the following day with the FNCD leaders. That meeting took place yesterday afternoon at the CONACOM premises, lasting nearly two hours, a time insufficient for reconciling the quite opposed stands of the two blocs. Both PANPRA and FNCD members left the meeting unsatisfied.

One of the participants in that meeting, Professor Victor Benoit, an FNCD spokesman, stated that the attitude of the socialists has proven that they are willing to participate in the government that Movement for the Establishment of Democracy in Haiti leader Marc Bazin will lead.

Aristide-Founded Charity Burned; No Fatalities

FL1306162292 Port-au-Prince Radio Metropole in French 1400 GMT 13 Jun 92

[Text] There was a fire this morning at the premises of Lafanmi Se Lavi [Family Is Life], a charity founded by Father Jean-Bertrand Aristide to care for needy children, in Rue Camille Leon. According to testimony collected by the Haitian Press Agency [AHP], the fire was allegedly caused by an explosive device that dropped to the street among a hail of bullets. No one was killed, but the main building of the charity was completely burnt. Also burnt were a drugstore, a laboratory, a clinic, and the handicraft works of the children, according to AHP.

Panama

Bomb Reportedly Hurled at U.S. Army Fuel Tank

PA1406220492 Panama City ACAN in Spanish 2129 GMT 14 Jun 92

[Text] Panama City, 14 Jun (ACAN-EFE)—On 14 June, explosive experts defused a bomb, hurled from a moving vehicle at a U.S. Army South fuel storage tank located in the outskirts of Panama City.

A Panama police source told ACAN-EFE this afternoon that unidentified persons hurled "a package of explosives" from a four-wheel drive vehicle and fled.

The police began a combing operation in the area known as Loma Cova, located outside Panama City, where the Southern Command keeps its fuel storage tanks to supply the military vehicles that the United States maintains at defense sites on the banks of the Panama Canal, the police source added.

Judicial Technical Police (PTJ) assigned to a liaison information office with U.S. military personnel reported the incident to their main office.

The Southern Command, with 10,000 soldiers stationed at their bases along the Panama Canal, chose not to provide information on the incident until more details can be assembled, a military source stated. If the bomb had exploded, it would have caused an enormous disaster because of the large amount of fuel stored at the tanks, said another official source who asked that his identity not be revealed.

The Pentagon's U.S. Southern Command redoubled security measures after a U.S. soldier was killed and another serviceman was seriously wounded this week, in an attack by unidentified individuals from a moving vehicle.

On 8 June, unidentified individuals traveling in another vehicle fired bursts of machine gun fire at an Albrook Air Station checkpoint, causing no casualties.

The terrorist actions against U.S. targets increased this week in Panama after U.S. President George Bush paid a five-hour visit to Panama on 11 June on his way to Brazil, where the Earth Summit concluded on 14 June.

Further Reaction to Visit by U.S. President

Vice President Comments

PA1206155692 Panama City LA PRENSA in Spanish 12 Jun 92 p 1

[Excerpts] On the night of 11 June, Panamanian Vice President Guillermo Ford asserted that it was "unforgivable" for the policemen in charge of security at Plaza Porras to have "impassively" allowed a small group of demonstrators to cause "so much disorder" during U.S. President Bush's visit there.

Ford made these statements after National Police members threw tear gas to disperse a group of demonstrators. The tear gas prevented Bush from giving his scheduled speech to the people assembled in the plaza.

After the incident, Ford recommended that "an investigation be begun immediately" to establish who was to blame for the disturbances.

Ford, also the Panamanian planning minister, was astonished by the attitude of the National Police members in charge of security in the area. According to him, "there was no reason for these people to have caused such commotion within the designated security area and before the eyes of the policemen."

President Guillermo Endara regretted the incidents carried out by a small group linked to the past military regime. Their actions prevented George Bush from following the agenda for his four-hour visit to Panama. [passage omitted]

Bush reminded the Panamanian people that democracy takes time to consolidate and is not attained easily. He said: "In that multitude of people that welcomed us, I saw the determination to carry out the dream of liberty and democracy." [passage omitted]

Cabinet Ministers Cited

PA1306025292 Panama City Circuito RPC Television in Spanish 2300 GMT 12 Jun 92

[Text] Government officials have rejected the violent incidents at Plaza Porras and are recommending that President Guillermo Endara adopt disciplinary sanctions. The president held a meeting with his cabinet to discuss various aspects of President Bush's visit to Panama, such as its economic and political effects and the consequences of the two presidents' conversations on the diplomatic future of both Panama and the United States.

Aware of the events in Panama on 11 June, the ministers will also discuss the demonstrations staged by groups that opposed the U.S. President's visit to Panama. On 11 June, Panama City Mayor Mayin Correa blamed the Public Force for the suspension of the event at Plaza Porras, which she attributed to their attitude toward the demonstrators. Upon their arrival at the Presidential Palace, the state ministers also discussed the incident:

[Begin recording] [Education Minister Marco Alarcon] There was no immediate need to use tear gas. The Public Force could have used other methods. By using tear gas that close to the event, it appears as if they had other motives besides dislodging the demonstrators.

[Foreign Minister Julio Linares] I believe the incident was useful because a serious and responsible investigation will be carried out within the Public Force. If we had to abandon the area where the event was being held, it was simply because we could not stand the tear gas. There was no other reason. Excessive tear gas was used,

and the small group that interrupted the event could very well have been detained at a further distance.

[Second Vice President Guillermo Ford] In my opinion, the government cannot condone these actions. It is our duty, by constitutional mandate, to maintain order. The sad part of this is that the majority of Panamanians who reject the past, those black days Panama experienced, were harassed by a small group. To conclude, I believe we should conduct an investigation immediately to find out why the Public Force behaved the way it did. I am not accusing them, but this merits an investigation. In my opinion, the full weight of the law should immediately be brought to bear against the individuals who participated in those violent activities.

[Finance Minister Mario Galindo] I will recommend to the president that the 11 June incidents be investigated because the government cannot ignore incidents like these. We must prevent this from happening in the future without hindering people's right to stage demonstrations. It is one thing to express displeasure over political events and another to permit these incidents. [end recording]

Ruben Dario Carles and Roberto Alfaro, the comptroller and commerce minister respectively, concerned over the 11 June incidents, have conveyed the benefits of George Bush's visit to Panama from the economic and political standpoint.

[Begin recording] [Carles] President Bush wants democracy to be consolidated in Panama, he wants Panama to progress, he wants the Panamanian people to have a better life, he wants us to be capable of administering the canal, of properly using the huge properties that will be returned to us.

[Alfaro] We also discussed the banana issue and U.S. support for the Panamanian cause at the GATT. All of this was discussed, and I believe we will receive support from the U.S. Government. [end recording]

The president's meeting with his cabinet will give the government a clearer view of the regrettable incidents that threatened President Bush's visit to Panama. The incidents were staged by left-wing political groups, according to government sectors. We must now await the results of the investigation that Government and Justice Minister Juan Chevalier is conducting.

Justice Minister Not Resigning

PA1306043792 Panama City Circuito RPC Television in Spanish 2300 GMT 12 Jun 92

[Text] Justice Minister Juan Chevalier said he would not resign while the incidents that took place during President Bush's visit on 11 June at the Plaza Porras are being investigated.

An urgent meeting was held at the police headquarters in Ancon this morning to establish responsibilities. There were many expectations. Everything seemed to point to dismissals because the National Police force has been seriously questioned given their actions at the Plaza Porras. A small group of demonstrators achieved their goal there, which was to disrupt the protocol during President Bush's visit to Panama. The police used tear gas against the demonstrators, but that same tear gas affected those who were present at the event—including President Bush, President Endara, and the first ladies.

Everything that had been prepared with so much care and anticipation went down the drain. President Bush had to depart hastily from the site, his security force visibly armed. The truth is that the police have been labeled as inefficient for not taking the necessary measures. Tear gas could have been avoided by using other types of maneuvers to control the situation. The role of the police force is being questioned.

At the end of this morning's meeting, Minister Chevalier said that he first had to wait for the outcome of the investigation, adding that he would submit to President Endara a follow-up report on the incidents that took place on 11 June at the Plaza Porras. We have here Minister Chevalier's words:

[Begin recording] [Chevalier] We must assess what happened and why it happened, and then I will do whatever has to be done.

[Unidentified reporter] Mr. Minister, the police are accused of sabotage.

[Chevalier] In this country, everyone is accused of everything. Therefore, I would not venture so far as to say that the police are guilty of sabotage. That would mean the end of the National Police as an institution, and that could be the intentions of some individuals.

[Reporter] Will there be internal changes?

[Second unidentified reporter] Will there be dismissals in the institution?

[Chevalier] I do not know. I am telling you that we are investigating and assessing the situation. The necessary measures will be taken. My duty as a public official is to make an evaluation, an analysis, and a responsible criticism of all the departments that were involved. When concluded, this will be handed to the president of the Republic, who has the last word.

[Reporter] Mr. Minister, your resignation and that of the National Police Director is being demanded. What is your reaction to this?

[Chevalier] No one has the virtue of being loved by everyone. In these matters, there can be... [pauses] Many times, when cases such as these occur, political individuals take advantage of the situation. I am not so precious that everyone loves me. I know that I am not very popular, but that is not a matter of concern to me. I have a duty to fulfill and I am going to fulfill it. [end recording]

We have here Ebrahim Asvat, former director of the National Police:

[Begin Asvat recording] The president of the Republic has the last word, and I think that the situation calls for numerous dismissals in the National Police, as well as the dismissals of political authorities who had some level of responsibility during this event. [end recording]

According to Asvat, the situation is truly serious and could affect the state's power.

[Begin Asvat recording] The police were not able to control a small demonstration. How can the current government be trusted when there are irregular situations within the Public Force. If the government is not capable of preparing or organizing an event in any part of the nation, then we could say that the government lacks authority. I would not accuse the organizers of the event. I believe there were serious deficiencies on the part of the presidential intelligence service and a high grade of negligence by the National Police. [end recording]

By the end of this news report, Justice Minister Juan Chevalier still had not presented to President Guillermo Endara any report on what happened on 11 June at the Plaza Porras.

Legislator Reports Threats

PA1306045192 Panama City Circuito RPC Television in Spanish 2300 GMT 12 Jun 92

[Text] Balbina Herrera Perinan, Democratic Revolutionary Party legislator, explained her participation in the incidents on 11 June at Plaza Porras.

[Begin Herrera Perinan recording] The way they were taking away that young man....[pauses] I want to tell the Panamanian people I do not even know who he is, but I noticed they were taking him away and I saw that they were beating him. The television clips show how he was on the ground and then he was jerked up and beaten. I felt like he was my son or any young man who should be defended. I said I was defending the people. I felt I had a moral commitment as a woman, as a Panamanian, to defend him; and I did it. Do not ask me how I did it. I was really shocked afterward when I saw the scenes on television, but....[pauses] I was hurt but I think this is part of what occurred, because it was a very difficult moment. I want to tell the Panamanian people that I was hurt—my back, my head, my legs, and part of my face, however, I feel happy. They did not take him away and I think this is the essential thing.

[Unidentified reporter] The 11 June events reminded the Panamanian people of when you were in power, and the people were repressed under the same circumstances. What are your views on this?

[Herrera Perinan] Look, it all depends on how you see things. That is why I assume my responsibilities. I assumed my responsibilities in 1987 and I assume it is now my turn to take—and I take it with dignity. If I have to go out again and defend other people, I will do it. I come from the people, I am not from the high-class, and I will defend the people from my sector. I want to tell the Panamanian people: In 1987, I faced a political situation quite different from the one which occurred on 11 June.

[Reporter] Thank you. [end recording]

Moreover, Legislator Balbina Herrera Perinan reported on 12 June at the Legislative Assembly that she has been threatened after the incidents on 11 June at Plaza Porras.

[Begin recording] [Herrera Perinan] I have been [words indistinct]. Barely four minutes ago, I received a telephone call from my house because someone had called and said a bomb will be placed in my house. I do not know if this is true or not; but I want to report publicly that the psychological pressure has started—and I must notify my branch because the security of a parliamentary member and his house must be respected. If I remain silent like the legislator....

[Unidentified speaker, interrupting] [Words indistinct] like a show.

[Herrera Perinan] If he decides not do it, Mr. Chairman, that is a personal decision.

[Unidentified speaker] Mr. Chairman, she is acting [words indistinct]. [laughter heard in the background]

[Herrera Perinan] Please, I say this because the incidents which occurred on 11 June leave a lot to be desired and many threats have been issued. I want to say I hold the government and all the appropriate authorities responsible for any act of violence which occurs in my house. [end recording]

Bush Visit 'Total Failure'

PA1206152192 Panama City LA ESTRELLA DE PANAMA in Spanish 12 Jun 92 p A1

[By James Aparicio]

[Excerpt] The visit of President George Bush to Panama, an event organized as a "meeting of friends," failed on 11 June after violent disturbances broke out in Plaza President Belisario Porras, forcing the U.S. President's security team to take him out of the area with guns drawn.

The announcement of Bush's visit has rekindled nationalist feelings and demands voiced by groups of refugees and even by members of the National Council of Private Enterprise (Conep).

Various political and diplomatic sources consulted by LA ESTRELLA DE PANAMA stated that the purpose of Bush's visit to Panama "had been a total failure," causing the president another serious electoral setback that will affect his already waning popularity.

According to analysts, although Bush committed himself to fulfill the Torrijos-Carter Treaties during a lunch with President Guillermo Endara at the Presidential Palace, many questions were left unanswered. [passage omitted]

Panama's Image Tarnished

PA1206162492 Panama City CRITICA LIBRE in Spanish 12 Jun 92 p 4

[Editorial: "International Ridicule"]

[Text] This newspaper had warned the national government about the possible consequences of allowing Panama City Mayor Omayra Judith Correa to put on her show at Plaza Porras. In fact, on 11 June we even criticized the servile attitude displayed by the top authorities of the District of Panama when they insisted that she put on her circus act that was viewed evidently as a provocation by the relatives of the December 1989 invasion victims and growing segments of the population who oppose the Endara administration.

The government refused to heed warnings about the dangers of holding an event in Plaza Porras. This is so because those who rule us welcome the advice of people with a military past, which they do not try to hide, because they use the same tactics and schemes of when they were close collaborators of the dictatorship. They are stubborn and had to show their stubbornness. The incidents unfolded at Plaza Porras, and Panama again embarrassed itself before the world despite the bragging of Government and Justice Minister Juan Chevalier.

For President Guillermo Endara, the events at Plaza Porras represent a diplomatic defeat that is unprecedented in history. Although the mayor is now blaming the National Police for what transpired, those who are responsible must resign if they still have any dignity. Decent Panamanians demand the resignation of Mayor Omayra Judith Correa, Minister Juan Chevalier, and the many inept people in the government, because the Panamanian community is sick of seeing the country play the role of buffoon. It is degrading to our national identity.

The incidents at Plaza Porras can be described as a fair of irresponsibility. It was a clumsy decision to hold the event there and to take President Bush to a place where there were opposition groups a few meters away from the platform from which he was to speak. The police were incredibly tolerant and inefficient in permitting demonstrations within the area. Most regrettable was the fact that many public employees, who were forced to attend the event, went with their infants, who were affected by the tear gas. This is a classic example of a country that has not yet matured.

President Bush on 11 June pointed to a "minuscule group of leftists" as responsible for the incidents in an attempt to save face for his hosts. His statement does not help them at all because it is inexcusable that "a minuscule group of leftists" managed to spoil the ceremony despite the iron-clad security that was established by agents of the FBI, CIA, and the less publicized local agents of the Institutional Protection Service, Police Investigation Department, and Judicial Technical Police.

The incidents at Plaza Porras will tarnish Panama's image abroad. The best President Endara can do is purge the many erratic officials. The so-called "Meeting of Friends" turned out to be a fiasco and the fact that Bush and his wife had to be evacuated before he could deliver a speech could have a negative effect on Bush during the elections in the United States.

If Endara wants to improve his tarnished image, the best he can do is dismiss the officials who involved him in a carnival-like adventure at Plaza Porras.

'In-Depth Purge' Needed

PA1206152592 Panama City LA PRENSA in Spanish 12 Jun 92 p 1

["As of Today" column]

[Text] All of the people, observers, and journalists who attended the ceremony at Plaza Porras agree that the rally was dispersed by the police, who used an excessive amount of tear gas. The tear gas was fired deliberately into the wind and descended like a dense cloud upon those who had gone to greet the visitor. It wafted up to the grandstand on which the organizers and President Bush were sitting. There were so few demonstrators protesting that should have been better restrained. What actually happened is that the Public Force secretly sympathized with the demonstrators, supported their objectives, and helped them mar the event. Some of them dream of the past, when they were big personalities and were revered by wealthy men and universally feared by the people. We insist on an in-depth purge of the Public Force, because we do not want to spark another military dictatorship. The other one that is largely to blame for what happened (aside from the unfortunate idea of those who planned to hold the event) is the government and justice minister, whose inability to hold his post was demonstrated once more, after he told the country only the day before that he would not allow disturbances to take place. If they do not voluntarily quit their post, the president should demand the resignations of Juan Chevalier and Menalco Solis, whose "intelligence" is another of the victims of yesterday's fiasco. He is good at listening to conversations between lovers but not at gathering information to avert chaos, such as the chaos that took place yesterday.

Official Interviewed on Killing of U.S. Soldier

PA1206180492 Panama City Radio KW Continente in Spanish 1200 GMT 12 Jun 92

[Telephone interview with Chilibre Corregimiento Representative Vidal Garcia, from Chilibre, by Panama City

Mayor Mayin Correa, in Panama City, on 12 June, during the "The Word Program"—live]

[Excerpt] [passage omitted] [Panama City Mayor Correa] We have Chilibre Corregimiento Representative Vidal Garcia on the line. He has something to say regarding what we have been talking about this morning. Go ahead Garcia.

[Garcia] Good morning, Mayor Correa. The truth is that for the past two days I have wanted to participate. I support your statements in which you said the Public Force personnel were accomplices of the Norieguist PRD [Democratic Revolutionary Party] people, who were plotting near Plaza Porras to prevent the Panamanian people's spontaneous show of support for President George Bush. Here in Chilibre Corregimiento, we have regretted the bloody incident near our corregimiento, in the vicinity of the Juan Demostenes Arosemena neighborhood in Colon Province. As for the bloody incident, I believe the terrorists could have been captured, but I believe it was negligence on the part of the Public Force personnel stationed in Chilibre Corregimiento.

Once the incidents occurred—I know about this because I went to the area five minutes later—the Public Force personnel were called by Customs Office inspectors who were nearby, at the so-called Y intersection. The Customs Office inspectors gave them details on the people who were traveling in the car. They told the police the color of the car, the license plate number, and other characteristics of the car that could facilitate investigations and the capture of the terrorists. However, the Public Force members here in Chilibre Corregimiento appear to be very apathetic. They did not even try to capture these murderers. I can tell you that the murderers passed by the Community Board [Junta Comunal] offices. They drove down a street that passes in front of the Community Board and leads to a place called Calzada Larga. That is where the abandoned car was found. If the police had wanted to capture these people all they had to do was close off the road to La Cabima and the other entrance to the community of Buenos Aires de Chilibre. That is all they had to do to capture these people because the murderers had no other place to go; they had no way of escaping. It was not until the following day when the DIP [Police Investigation Department] and PTJ [Judicial Technical Police] personnel began tracking down the murderers. They could not capture them because of a lack of support provided by the Public Force personnel in Chilibre Corregimiento.

We regret the events that are taking place in the country and I have always said the government is totally controlled by Norieguist elements. I am concerned because elections are approaching. How will the government guarantee serious, honest, and credible elections if our security personnel, the people who are in charge of the public order situation in the country, are totally against the current government? There will be great disorder here. More people will be killed in these elections than in the 1989 ones. Our government is resting on its laurels and these people are getting stronger every day. Listeners, please excuse me but when the people wanted the police to investigate, some policemen replied: It is just a foolish gringo who was killed—well done. That was right here at the Chilibre Corregimiento barracks. All this was taking place. When one reports this, no one does anything. That is why I have taken the liberty to call you and tell all the listeners of your popular radio station about this to see if the president or the government and justice minister can do something about this. We have fought for 21 years in different areas. We have also fought in this corregimiento and these kind of people are still in power and hurting this country. That is all I wanted to say, Honorable Correa.

[Correa] Honorable representative from Chilibre Corregimiento, this report you have just given us is very serious. Even though you have told the story without the seriousness it deserves, we journalists immediately understand the seriousness of the case. I want to ask you something. You are telling me that you and the community knew where these murderers went and where they drove, but the police did not go after them to cut them off and capture them even though there were policemen in the area? Is that what you are telling me?

[Garcia] I have been building a booth in front of the Community Board offices, some 150 meters away, and some of my workers are there. They saw the car. It looked suspicious because it almost hit a bus. They immediately approached the Public Force personnel here and told them that four men dressed in military uniforms were riding a gray car. They gave them all the details. They even informed a policeman as to where the car turned. All the policeman did was grimace with disdain.

[Correa] Give me the name of this policeman to report him immediately to President Endara this morning. Give me his name. Give me the name of this policeman who grimaced with disdain when you were telling him of the murderers of a human being.

[Garcia] My workers told me it was the police chief himself.

[Correa] Who is the police chief there, honorable?

[Garcia] His name is Buitrago.

[Correa] Buitrago. Is he a sergeant?

[Garcia] A lieutenant, I believe.

[Correa] Lieutenant?

[Garcia] Yes.

[Correa] The same thing happened at Plaza Porras. The officers were telling the people: Is this not the democracy you wanted? Did you not want democracy? The policemen themselves were saying this. They were telling this to the Panamanians who were enjoying their freedom. The policemen were telling them: Is this not the

democracy you wanted? Your workers were giving the description of the murderers to this Lieutenant Buitrago and all he did was grimace with disdain. I will personally report him to the police as soon as I leave this place. I am going to talk to President Endara because these are the people who are allowing the murder of other Panamanians and other human beings. These are the Norieguist fifth columnists, who have weapons in their hands and are leaving Panamanians unprotected. I thank Corregimiento Representative Vidal Garcia for this report.

[Garcia] Thank you.

[Correa] Thank you. [passage omitted]

Local Station Reports M-20 Message Over Radio

PA1406233092 Panama City Cadena Exitosa in Spanish 2250 GMT 14 Jun 92

[Text] Highly reliable sources have told Exitosa's news office that a Panama Canal area radio frequency has been experiencing constant interference. A heavy and threatening voice is heard warning: Death to all gringo lovers, the M-20 [20 December Movement] is on the streets [Mueran todos los gringeros, que el M-20 esta en las calles].

The interference on the canal area radio frequency occurred when a gas station [as heard] on a U.S. defense site was the target of a bomb attack. The bomb was defused. The police are on the trail of the perpetrators, who headed toward La Chorrera.

Assembly Session Canceled Due to Bomb Threat

PA1206164592 Panama City Radio KW Continente in Spanish 1555 GMT 12 Jun 92

[Report by Luis Alberto Jimenez from the Legislative Assembly—live]

[Text] The headquarters of the Legislative Assembly has received several bomb threats and, as a result, has suspended its 12 June session. National Police members who are experts on these matters have been searching for the explosive device that was reportedly planted at the Legislative Assembly, according to telephone calls.

We consulted Legislative Assembly President Marco Ameglio, who said there have been repeated telephone calls warning about bombs in the assembly building. Here is what he said:

[Begin Ameglio recording] These radicals have tried to promote chaos, disorder, and instability in the country. Threats were received within assembly facilities. I returned to my office to work until 1900 on 11 June, where we received three telephone calls warning that there was an explosive device in the Legislative Assembly building.

Early on 12 June, as soon as we arrived, there was another warning about the presence of a bomb inside the building. Although we know that those cowardly attempts to create disorder and chaos in the country often turn out to just empty threats, we requested a search in the building for the sake of the safety of all workers and members of this legislative body. [end recording]

That was Legislative Assembly President Ameglio reporting repeated telephone threats on the planting of bombs at the national assembly. Members of the National Police finished their search of the area, especially the meeting room of the Legislative Assembly, but a bomb has yet to be found. The parliamentarians nevertheless were called on to continue their debate on a constitutional reform bill.

Assembly President Ameglio also commented on the events of 11 June during his interview with our station. He said the legislators' participation in the demonstrations tarnished the assembly's image. He pointed out that legislators should and may participate in demonstrations but should not promote street disorders, because this tarnishes the image of the national parliament. He also commented on the inadequate protection given to the ministers of state and said that the 11 June incidents at Plaza Porras prompted by the visit of U.S. President George Bush also helped tarnish the image of the country's national security apparatus.

Bomb Threat Delays Departure of Airline Flight

PA1506002792 Panama City ACAN in Spanish 2027 GMT 14 Jun 92

[Excerpt] Panama City, 14 Jun (ACAN-EFE)—A false bomb threat on 14 June caused a six-hour delay in the departure of a U.S. Continental Airlines flight with 75 passengers, from Tocumen International Airport in Panama City, to Houston, Texas.

Airport and Continental sources confirmed the incident to ACAN-EFE but noted the airplane did take off when the police established it was a false alarm. The airplane, scheduled to depart at 0935 (1435 GMT), left at 1400 (1900 GMT) after bomb experts inspected it from "one end to the other," an airport security agent told ACAN-EFE. [passage omitted]

Argentina

Armenian President Visits, Meets Menem

NC1306172692 Yerevan Armenia's Radio First Program Network in Armenian 1850 GMT 12 Jun 92

[Text] Armenian President Levon Ter-Petrosyan, who is on an official visit to Argentina, met Russian Vice President Aleksandr Rutskoy on 11 June, and they discussed issues of mutual concern.

The same day the Armenian president laid a wreath at the monument to the Argentine national hero [name indistinct]. The high-ranking Armenian delegation took part in a ceremony in the center of Buenos Aires to name a square the Ararat Square. The delegation visited the Argentina-Armenia School in Buenos Aires. A sister school will open in Yerevan.

The talks between President Carlos Menem of Argentina and Ter-Petrosyan continued on 11 June.

The two countries foreign ministers, Guido di Tella and Raffi Hovannisian, signed three agreements on interstate relations between Argentina and Armenia, cultural cooperation, and cooperation between the two countries' Foreign Ministries.

President Ter-Petrosyan also addressed Argentine senators who have adopted a resolution on Nagorno-Karabakh. The resolution notes that Karabakh is an Armenian territory, forcibly annexed to Azerbaijan in 1923 as a result of an arbitrary approach to national questions. There should be a peaceful solution to the problem, based on the principles of human rights and national self- determination, noted the resolution.

That evening, the Argentine president hosted a dinner in honor of Ter-Petrosyan. The two presidents exchanged toasts.

The Armenian delegation also met the press and the Armenian community in Argentina.

After the official visit, the Armenian delegation left for Rio de Janeiro in President Menem's plane to take part in UN Conference on Environment and Development.

Levon Ter-Petrosyan and Carlos Menem continued their talks on the plane.

President Menem Returns From Earth Summit

PY1406022092 Buenos Aires TELAM in Spanish 0010 GMT 14 Jun 92

[Text] Buenos Aires, 13 Jun (TELAM)—Shortly after 2030 today, Argentine President Carlos Menem arrived at Ezeiza International Airport from Rio de Janeiro where he attended the UN Conference on Environment and Development.

Menem arrived at Ezeiza on the presidential plane Tango-01, which had to change its course due to bad weather. The presidential plane was initially supposed to land at Aeroparque Metropolitan Airport. The Argentine president left the airport without making any statements.

Composition of the Benefit System (in thousands of workers)

KEY:
1. Exempt from National System
2. Evaders of National System
3. Contributors to National System
4. Others
5. Source: Secretariat of Social Security

* Changes in Social Security System Discussed

92SM0416A Buenos Aires CLARIN in Spanish 3 May 92 pp 2-4

[Interview with Under Secretary of Social Security Walter Schulthess by unidentified CLARIN reporter; place and date not given]

[Text] Why is the collection of benefits always "too little"? The diagnosis of the Social Security system is discouraging: At least one in two people is not contributing to the National Social Security System. There are no updated figures, but it is estimated that the situation has not changed much since the latest official statistics were released on 31 December 1990. At that time, there were 4 million evaders, 730,000 exempt workers, and only 4.87 million people who were making their contributions more or less on time.

Who are the evaders, really? According to the data for the end of 1990, 6.2 million workers are registered with the benefit system. Of that total, 4.1 million made contributions, while 2.1 million paid nothing into the

funds: 490,000 because they were exempt, and 1.6 million because they evaded payment (either by conniving with employers or because the employers kept the amounts to be withheld plus the contributions they were supposed to make).

The evasion percentage is much higher among those contributing to the self-employment funds. Only 767,000 people made any contribution to those funds, while 2.8 million made no payment to them; 240,000 did not pay because they were unemployed.

The information is incomplete because there are another 2 million individuals who do not appear as employees or self-employed workers. They are part of the work force, but they fit into "special" categories, such as "workers" enrolled the ranks of those awaiting privileged retirement, or those contributing to special systems, such as those in temporary jobs (harvesters, for example).

The government will soon send a bill to Congress to reform the benefit system. For those already close to retirement—all those over the age of 45—the reform will mean an increase in the retirement age: 65 years for men and 60 years for women. Contributions to the system will be changed from 20 to 30 years, and the government will insure only the sliding minimum of 70 percent. For new contributors—those under 45—the state in the future will pay a retirement benefit equivalent to 20 percent of the average wage, which can increase by 2 percent for each year of contributions beyond the 30-year minimum. The new benefit system, which will receive funds from the new Social Benefit Tax [IPS] (see p 4), employer contributions, and privatization funds, will make it possible for each retiree to receive approximately $150. Workers will make contributions to the brand-new pension funds, which will assure them of a decent retirement income. No one knows what will happen to their earlier contributions to the system. Here are the highlights of Undersecretary of Social Security Walter Schulthess' statements:

[CLARIN] President Menem announced yesterday that the government will soon submit the bill to reform the benefit system, to be treated as urgent legislation. There are many major aspects of this initiative that are still unknown, however....

[Schulthess] The bill consists of three parts. One is aimed at current retirees and those who will retire in the immediate future. The second deals with future pensioners, and the third has to do with the financing of all of this.

[CLARIN] What will be done with current retirees?

[Schulthess] There are two subissues. The first is a restoration plan, and the second is the establishment of retirement conditions from now on.

As for the restoration plan, the bill establishes a financial plan to restore assets so that everyone will receive what they are legally entitled to. The way the system works now, two-thirds of retirees and pensioners collect the minimum.

[CLARIN] What is the restoration plan like?

[Schulthess] That is what the tax is for (see note on p 4). If there are surpluses, great. In that case, we will raise all benefits. But if there are not, we in the government are pledging to devote all resources to at least restoring the fund. Over time, we will be able to pay pensioners all of their vested funds.

[CLARIN] What does this mean? Will you pay with the sliding 70 percent and the sliding 82 percent as the law requires?

[Schulthess] Exactly.

[CLARIN] When?

[Schulthess] You will see in the bill. We are still developing the financial program.

Only Sliding 70 Percent Will Exist

[CLARIN] What will happen to those who are nearing retirement?

[Schulthess] We do not want to continue this trend with them, this deceitful system in which we promise things we cannot deliver. Rather, we are going to implement a system whereby the government pledges to pay what it really will pay. For this reason, we are including an increase in the minimum retirement age, to 60 for women and 65 for men. It is no different from what applies to the self-employed.

[CLARIN] What will be the ages for attaining the sliding 70 percent and the sliding 82 percent?

[Schulthess] That option will not exist any longer. There will be just one age limit for the sliding 70 percent, which in practice means more than there is now.

[CLARIN] That may be. But the existence of the sliding 82 percent opens up the possibility of going to court to collect the difference between what a person actually receives and what he had coming.

[Schulthess] And that brings us back to the deceitful system. Look, in the last laws Congress brought out last year, on retirement for legislators, judges, teachers, etc., they said that the 82 percent would be reduced to a sliding 70 percent for five years. We have learned our lesson, and we are going to propose 70 percent, a realistic figure.

[CLARIN] Will that sliding 70 percent apply to those who already retired with the 82 percent?

[Schulthess] No. We respect the conditions under which current pensioners retired because they already have completely vested rights. Otherwise, they would all go to

court again, and we would relive a problem that we want to make sure the country never has to go through again.

[CLARIN] What else is there for current retirees?

[Schulthess] There are other important changes, such as the part about disability. We are going to make it more difficult for people to retire under false pretenses to obtain benefits. We will maintain disability benefits, but we will require the applicant to have contributed for at least three years, unless the problem is the result of an industrial injury.

The New System

[CLARIN] Tell me about the new retirement system.

[Schulthess] There will be two types of retirement for the beneficiary to choose from. One is called universal basic retirement, and it works as a distribution system (that is, every penny that goes into the fund is distributed among the pensioners).

[CLARIN] Say no more. What will the system be like for those over 45 years of age?

[Schulthess] The same as now. At any rate, the beneficiaries may choose to go into the new system for two years.

[CLARIN] How much will the government guarantee for those under 45 through basic retirement?

[Schulthess] The same as retirees receive now: 20 percent of an average wage, as a minimum. The minimum age of contribution will increase to 30 years (it is currently 20). If the person contributes for more than 30 years, he will receive an additional 2 percent of this minimum pension per year. For example, if the fixed pension were 100 (average wage) and the person contributed for 45 years, he would receive a base pension of 130 (2 percent for every year of the 15 additional years, plus the 100 that is the minimum). In today's terms, this is equivalent to a basic pension guaranteed by the government of $120 to $150, which is what retirees are receiving today.

[CLARIN] How many people are under the age of 45?

[Schulthess] Approximately 75 percent of the contributors.

[CLARIN] Where will the money for this basic pension come from?

[Schulthess] From the tax we plan on levying and from employer contributions.

[CLARIN] How much financial backing will come from the capitalization fund administrators?

[Schulthess] A million and a half pesos, plus a guarantee deposit of around 2 percent of the amount on deposit, with an additional minimum of 1.5 million.

[CLARIN] What can they invest in?

[Schulthess] Public and private securities with preestablished percentages. There is a long list. The administrators will not own the funds; they will have to invest them immediately in these securities, which must be deposited in guarantee funds in the Central Bank. In other words, if an administrator goes bankrupt, the funds will not disappear, because it will not have any physical contact with the securities.

[CLARIN] Who will control the operation of the system?

[Schulthess] An agency created especially for that purpose, with complete economic and financial autonomy, under the Ministry of Labor and Social Security.

[CLARIN] Who will head it?

[Schulthess] (Laughs) There are no names yet.

[CLARIN] What commission will the administrators receive?

[Schulthess] Whatever the market will bear.

[CLARIN] If the contributions are 10 percent, by how much do you think the worker's fund will grow?

[Schulthess] Approximately 8 percent, net after commissions and the disability insurance that the administrators must obtain.

[CLARIN] Should a minimum profit be guaranteed?

[Schulthess] Yes, a minimum equivalent to the average in the system, and a maximum profit, as well. The latter was established for the purpose of preventing risky investments.

Emergency Tax

The IPS is substantially different from the proposed Business Primary Profit Tax [IEPE].

The only thing they have in common is the tax base. The IPS borrows from its predecessor, the IEPE, the characteristic of the expanded value-added tax, which includes items not now subject to that tax.

A quota of 10 percent will be applied to that tax base. The resulting amount should be the revenues of the benefit system. To offset that increase, employer contributions (the part of the pension paid for by the employer) will be reduced from 16 to 6 percent. Aside from this benefit, the original plan did not have any other provisions.

The new proposal abandoned the aspiration of its predecessor, the IEPE, to become part of an overall tax reform program; now it is just a question of obtaining an emergency infusion of funds for a system that is hemorrhaging left and right. In rough terms, the idea is to pay on the basis of the nonwage aggregate value. There will no longer be a system of offsetting with other taxes, including provincial property taxes, to achieve a better distribution of the tax burden. Now the goal is just to get

funds as quickly as possible. The portion paid by the worker, moreover, is to remain free so that it can be applied to the new pension funds.

It may be recalled that the IEPE was to be calculated as a payment on the account of other taxes. That offset cannot be made with the IPS, however. Why not?

The answer, according to Undersecretary Schulthess, is the following: "This tax is exclusively earmarked for Social Security. It has nothing to do with the tax system. For this reason, everything that is collected will go into the funds, and it cannot be deducted from any other tax."

Although the money will be earmarked for Social Security, the General Directorate of Taxation will be in charge of collecting the contributions.

The System's Resources and Financing

Year	Internal Resources(a)	Specifically Earmarked Taxes	National Treasury and Central Bank	Total
1975	79.6	0.3	20.1	100
1980	85.1	10.6	4.3	100
1985	74.3	15.9	9.8	100
1988	67.9	23.2	8.9	100
1989	65.3	23.0	11.7	100
1990	65.8	21.8	12.4	100
1991*	74.2	15.9	9.9	100

(a) The percentage represents the ratio between the amount collected from the total volume of wages and contributions from self-employed workers, and outlays of benefits and administrative costs, which reveals the degree to which the system is self-financing. *As of October - provisional.
Source: Secretariat of Social Security

Precarious Balance

Although the Social Security System recently received $380 million from sales of shares in the National Telecommunications Enterprise, its accounts show a precarious balance. Each month, the collection of contributions and specifically earmarked for taxes generally amounts to 600 million pesos, which must be paid out to retirees and pensioners. When that does not occur, the Treasury provides a little money, so that $380 million can remain in the coffers of Social Security.

The reason for this is clear: Retirement and pension benefits begin to be paid around the third day of every month, but collections begin coming in on approximately the ninth day. The $380 million, which is regarded as untouchable, is used to finance this difference, because the government wants to avoid at all cost being forced to issue unbacked currency for that purpose.

Under this plan, naturally, every time bonuses must be paid, officials kick up a fuss. The problem is, at today's values, they must pay $900 million instead of $600 million, and the system does not have enough funds to do that.

Undersecretary Schulthess said he " did not hear anything" about a new plan to postpone payment of the 24 June bonuses. "That is always a headache," he remarked, "not only for the beneficiaries of the system, but also for us."

Brazil

Dalai Lama Visits, Grants Interview 7 Jun

PY1106144192 Sao Paulo FOLHA DE SAO PAULO in Portuguese 8 Jun 92 Section 1 p 8

[Interview with the Dalai Lama by reporter Fernando Gabeira on 7 June; place not given]

[Excerpts] [passage omitted] [Gabeira] You may return to a changed Tibet where the Chinese, with their emigration policy, represent a majority. How will you deal with the problem of Chinese living in your country?

[Dalai Lama] The five-point peace plan already mentions the need to stop the massive emigration of Chinese [to Tibet]. I divide the Chinese living in Tibet into different categories. Those who came before the invasion in 1959 may stay. Those who came after the invasion must leave unless they respect Tibetan traditions and speak our language.

[Gabeira] Is there still the risk of an armed resistance against the Chinese?

[Dalai Lama] There is. It represents a great concern for those who want to implement a process of peaceful resistance to recover the country's independence. [passage omitted]

[Gabeira] From your viewpoint, does Buddhism imply political involvement?

[Dalai Lama] Yes it does. I believe it is necessary to participate in society in order to change it for the better.

The criticism of politicians, who do not always behave properly, is somewhat fruitless if it is merely made as an outsider. In a democratic system, political life represents a basic element for change.

[Gabeira] During our first encounter, I asked you what would you tell the statesmen at the UN Conference on Environment and Development and your answer was: I do not know. What about the North-South conflict?

[Dalai Lama] I talked a lot about this, indicating that the North must help more because everyone's long-term survival is involved. I also believe that not only the poor countries, but also the poor people must help themselves through self-esteem, confidence, and optimism.

Collor Confers With Syria's Khaddam on Mideast

JN1106163592 Damascus Syrian Arab Republic Radio Network in Arabic 1515 GMT 11 Jun 92

[Text] Rio de Janeiro—At 1530 Damascus time, Brazilian President Fernando Collor de Mello received Syrian Vice President 'Abd-al-Halim Khaddam. Nasir Qaddur, [Syrian] minister of state for foreign affairs, and Dr. Ghasub al-Rifa'i, Syrian ambassador to Brazil, attended the meeting.

At the meeting, Khaddam conveyed best wishes of President Hafiz al-Asad to President Fernando Collor and to the friendly Brazilian people.

Talks dealt with the Earth Summit currently under way in Rio de Janeiro and the agenda topics. Talks also dealt with the situation in the Middle East, the Arab-Israeli conflict, the peace process in the region, and bilateral relations.

Brazilian President Fernando Collor hailed bilateral relations and the constructive role the Syrian Arab community is playing in Brazil.

Collor on Need To Approve Fiscal Reform

PY1106220192 Rio de Janeiro O GLOBO in Portuguese 9 Jun 92 Economy Section p 20

["Highlights" of interview with President Fernando Collor de Mello by journalists Luis Erlanger and Sonia Rezende at Laranjeiras Palace on 8 June]

[Text] Inflation—"Fiscal reform is one of the indispensable conditions to have a civilized inflation rate because our fiscal area is a clogged one. Inflation has been part of our lives for many years. It torments us and is mainly caused by the disorder reigning in the public accounts." According to the president, a civilized inflation rate is a single-digit rate.

Fiscal Reform—The economic team's project is now under political arbitration. The project's authors are talking with political leaders to obtain a consensus on the proposals before the president sends them to Congress. Collor plans to use one of the constitutional amendments, which already is being negotiated, to include the fiscal reform bill as a substitute to gain time.

"Without attributing it more importance than it has, we must say that the fiscal reform is indispensable for our stabilization program and the future of our economy. This is why I have been repeatedly having breakfast with senators, politicians, and leaders to alert them to the need for a fiscal reform proposal. We cannot dare to lose the 1993 fiscal year. We cannot dream of doing so. I would say that fiscal reform will allow us to eliminate the braces that prop up the monetary policy that has been supporting the stabilization program."

Vetoes of the Reform—"I do not work with this possibility. I cannot think this way," the president said. According to him, when the privatization bill was sent to Congress, several resisted it, although they no longer do.

Collor made clear, however, that the fiscal reform has no negotiable parts because one cannot be dissociated from the other. He defines the overall reform: "It is harmonious, consistent, and plausible. It is entirely rational. We are resorting to political arbitration because we are seeking a consensus even before sending the bill to Congress. In other words, we are discussing the proposal's meaning with congressional leaders so that this aspect need not be discussed in a plenary. By discussing it beforehand, we will have more chances of making the congressional appraisal and debate more agile. What we want is to emphasize the importance of the fiscal reform."

Governors' Reaction—"I believe we can advance in the discussion. In my meetings with the governors and mayors, I have been receiving positive answers to this proposal. Naturally, the fact that 1992 is an election year makes things slightly more difficult. The framework we have established for our discussions, however, clearly indicates who must do what and who must receive what. It is clear that the reform tries not to modify the states' and counties' revenues."

Reform Timetable—"We have held meetings with congressional leaders and with state finance secretaries acting on behalf of the governors. We are ahead of our timetable. Our deadline to submit our proposal to Congress was 31 July. The government does not contemplate the possibility of Congress extending its session. The extension will only make sense if the leaderships agree to vote on the proposal. If not, it will make no sense."

According to Collor, if Congress is unable to vote on any important project, such as the ones referring to ports and copyrights, by the 30th and if the leaderships believe they must extend the legislative sessions for another three or four weeks to vote on those projects, fair enough. If they do not reach this agreement, however, everything will have to be left to be voted on during the second half of the year.

Significance of the Reform—"The fiscal reform will contribute to a greater competitiveness in Brazilian industry, to reduce prices, and, consequently, to lower the inflation rate. It will allow us to eliminate the braces of our monetary policy that currently prop up the stabilization program."

Pensioners—The government is looking into the possibility of distributing payment orders to the pensioners by mail. The idea is that each pensioner would have a stub book, a sort of checkbook, which would eliminate the need of going to the bank or standing in line.

Tax Evasion—According to the president, the fiscal reform will encourage the currently informal sector of the economy to join the formal sector; it will encourage taxpayers to pay their taxes.

"We have come to the conclusion that the fiscal reform will increase tax collection so that, within this new model of state, which will be smaller but stronger because it is more efficient, we may invest in those sectors currently in need of these resources, especially in the social field. By increasing our tax collection, we will be able to make effective and massive investments in the social field, which is our government's great objective. The government's greatest objective is to reach the end of its administration being able to show good social indicators rather than economic indicators—not to be able to say that inflation has dropped to so much, our reserves amount to so much, the privatization process went this way or that way. This is a very important goal, and even a prerequisite, to complete in our administration. But the important thing is to reach the end of our administration with better social indicators."

Recession—The president mentioned three measures that, he asserted, are strongly helping curb recession due to their multiplying effect: financing for the agricultural harvest, financing for the civil construction sector, and incentives for exports. "The resources injected into the agricultural field have reactivated the machinery and fertilizer industry, kept the men from emigrating from the rural areas, generated income in the interior, and lowered the cost of foodstuffs. So much so that foodstuffs' impact on the inflation rate is one of the mildest."

Foreign Currency Reserves—"The incentives for exports were granted at the appropriate moment. We now see that our foreign currency reserves are—I would not say at an exceptional level so as not to alert our creditors—at a comfortable level. These reserves are of great interest to our creditor banks now that we are reaching the end of negotiations."

Civil Construction— "We already have disbursed 550 billion cruzeiros and, if Minister Marcilio Marques still has not honored my request to disburse a total of 800 billion cruzeiros, we will disburse another 250 billion cruzeiros."

Unemployment—"The unemployment problem, in addition to being a problem stemming from the economic recession, is also the result of the industrial sector adjusting to new competition patterns."

Social Security System Reform—"We are certain that unless we reform the social security system, it soon will go bankrupt. I have been saying that since the electoral campaign. At the end of 1991, this reform was proposed and there was a very strong reaction against it in Congress. As we are doing with the fiscal reform, in the preliminary meeting organized by us, we withdrew the proposal so that this topic did not prevent the rest of the work from advancing. Two or three months later, Congress resumed the debate and created a committee that believed this reform proposed by the government was absolutely necessary. Therefore, we are willing to implement the social security system reform. This implementation would not require too much, particularly because we do not want to harm anyone's interests. Our proposal has alternatives. If a person retired within the framework of the traditional system, nothing changes. Those who have completed more than 50 percent of the time required for retiring, will do it in accordance with the traditional system. This shows that there would be alternatives aimed at creating the least harm possible to the retirees or those who will retire. As soon as there is a new retirement system based on the retiree's age, we will have a large number of people contributing to the social security system longer. Therefore, the studied model is perfectly compatible."

Pension Funds—Collor said: "We must prevent pension funds from having this extraordinary power, which is achieved at the contributors' expense." He explained that the central government previously contributed two or three cruzeiros for each cruzeiro contributed by the employee. Currently, the two contributions are balanced. The Economy and Social Security Ministries, however, are already discussing a new proposal. "We plan to get rid of the current system."

Debt Rollover—When the debt rollover was approved, it was said that the Brazilian Democratic Movement Party governors would especially benefit from it. When the states realized that the rescheduling was not exactly what they had imagined, they began to create difficulties. "We are, however, proposing the modification of Resolution No. 58, which will allow the first state debts to be rescheduled. Negotiations taking place in Santa Catarina, Pernambuco, Minas Gerais, and Rio Grande do Norte are quite advanced."

State-Owned Companies—"As a result of more professional administrations, they currently are seeking the highest level of effectiveness. We can mention the National Iron and Steel Company, Minas Gerais Steel, and the Itabira Special Steel Company. We are signing an administration contract with Rio Doce Valley Company this week."

Country Willing To Guarantee Debt Agreement

PY1106212592 Rio de Janeiro O GLOBO in Portuguese 6 Jun 92 Economy Section p 30

[Excerpt] Yesterday for the first time, Brazilian foreign debt negotiator Pedro Malan reported to Brazilian creditors how much Brazil is willing to give the banks as a guarantee for the debt agreement. The government expects the private banks, the World Bank, International Bank for Reconstruction and Development, IBRD, the IMF, and other official institutions to loan $1.5 billion to finance the guarantees required by the creditors. Economy Minister Marcilio Marques Moreira reported that another $1.5 billion will be obtained from Brazilian reserves in international currency.

According to Marcilio's advisers, the World Bank virtually guaranteed its portion yesterday. During a talk with President Fernando Collor and the economy minister, IBRD President Lewis Preston guaranteed that the loan negotiated with the IBRD—totalling at least $400 million—designed to provide guarantees to the creditors, is on the right path ("on the track") [preceding three words in English].

Preston made it clear, however, that disbursement of that money depends on the Brazilian economy's situation. A failure in the agreement with the IMF, for example, would prevent the release of funds that the World Bank intends to authorize for Brazil. Marcilio guaranteed that such failure will not occur.

The government expects both the IBRD and the Inter-American Development Bank (IDB) to contribute at least $400 million each to finance the guarantees.

In order to guarantee the commitment to pay the debt, the Economy Ministry intends to use the $3 billion announced to the creditors to purchase U.S. Treasury bonds and still keep special deposits in the Brazilian reserves. These solutions would represent a sort of guarantee for the creditors. The $3 billion still is not considered enough for the foreign banks.

The World Bank's share in the financing of these guarantees is being officially negotiated as a loan for improving Brazilian foreign trade. This project has been negotiated for at least four years, and the government has already made the changes suggested by the World Bank in order to receive the loan. [passage omitted]

IMF Recommends Further Fiscal Adjustments

PY1106213792 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 8 Jun 92 Economic Section p 3

[By Beatriz Abreu and Jo Galazi]

[Excerpt] Rio de Janeiro—IMF Managing Director Michel Camdessus reiterated his recommendation to Economy Minister Marcilio Marques Moreira to intensify Brazil's fiscal adjustment program. "A series of measures have been implemented, particularly in the monetary and financial areas," Camdessus said. "Much more needs to be done in the fiscal area (larger reductions and a revenue increase)," Camdessus said after a luncheon with Minister Marques Moreira at the Antonino restaurant.

"Now that priority has been placed on fiscal adjustment—and I am sure that this will be done—Brazil quickly will recover its leadership among developing countries," Camdessus said. The IMF managing director will be received today by President Fernando Collor and then he will meet again with Marcilio Marques Moreira and Planning Secretary Pedro Parente and Economic Policy Secretary Roberto Macedo. [passage omitted]

Colombia

'No Obstacles' to CNGSB Spokesmen's Return

PA1306034392 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2300 GMT 12 Jun 92

[Text] On 12 June, the Armed Forces reasserted that there were no obstacles for the CNGSB [Simon Bolivar National Guerrilla Coordinating Board] spokespersons to return from Mexico.

During a ceremony at the Logistic Academy, Army Commander General Manuel Alberto Murillo stated that the Armed Forces will honor the agreements made by the government with the guerrillas. These agreements allow the CNGSB representatives to return from Tlaxcala, Mexico.

In addition, Gen. Murillo said that despite the failure of the latest round of peace talks, the Armed Forces still expect there will be a political solution to the armed conflict.

Spokesmen Demand Protection

PA1406174492 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1707 GMT 14 Jun 92

[Text] Simon Bolivar National Guerrilla Coordinating Board [CNGSB] spokesmen who are still in Mexico have just issued a communique on their return to Colombia. The CNGSB spokesmen in Tlaxcala, Mexico, say they will return to Colombia on 22 June only if they are given guarantees.

[Begin Diego Ruiz recording] Referring to our transfer from Tlaxcala, Mexico to Colombia on this occasion, threatening statements were made by General Luis Eduardo Roca Maichel. We read his statements, published by Colombian media, and they reveal his threatening and openly hostile attitude toward the CNGSB commission. He said the authorities, meaning the Army, could apprehend us anywhere. You can imagine the rest. [end recording]

A communique issued by the CNGSB on 14 June asks Peace Adviser Horacio Serpa Uribe to provide the necessary legal protection for the CNGSB spokesmen.

ELN Pipeline Attacks Affect Oil to Cuba

PA1206233192 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1630 GMT 12 Jun 92

[Report by Marcela Duran]

[Text] The terrorist ELN [Army of National Liberation] guerrillas have decided to leave Fidel Castro without any crude oil for the next few days. Due to constant ELN attacks against the Cano Limon-Covenas oil pipeline, Colombia has been unable to ship any oil to Cuba during the week.

The continuous ELN attacks against the Cano Limon-Covenas oil pipeline have resulted in Colombia being forced to suspend the sale of 280,000 barrels of crude oil to Cuba. Ironically, Cuba—the country most admired by ELN head Manuel Perez Marulanda—has ultimately been most affected by the terrorists attacks.

In bloody attacks undertaken during the past 15 days, the ELN sabotaged oil pipelines 12 times; that is, nearly one attack per day.

[Begin recording] [Andres Pastrana Londono, president of Colombian Petroleum Enterprise, Ecopetrol] In this specific case, there is a reason completely beyond our control, and it is ultimately affecting Cuba. There is a shipment of crude oil belonging to a company called Sinochem destined for Cuba. Unfortunately, we were forced to announce an emergency situation. [end recording]

Crude oil pumping operations in the Cano Limon-Covenas pipeline have been paralyzed for the second day in a row. With each passing day, Ecopetrol is prevented from producing 200,000 barrels of crude oil per day.

So far, the ELN has sabotaged the oil pipeline 24 times this year. One of the attacks resulted in the spilling of approximately 90,000 barrels of crude oil.

Details of 12 Jun Attack

PA1306154392 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2300 GMT 12 Jun 92

[Report by Gilberto Buitrago Neira]

[Text] Large billows of smoke rose on 12 June near Convencion, Norte de Santander Department, after rebels blew up a stretch of the Cano Limon-Covenas oil pipeline. The petroleum has contaminated the creeks that lead up to the Catatumbo River, which flows into the Maracaibo Gulf.

The Cano Limon-Covenas oil pipeline was dynamited at kilometer 434 in Corregimiento Miraflores, near Convencion, Norte de Santander Department. Here, 7,000 barrels of oil have been spilled and a large fire, which authorities have been unable to put out, is still raging.

The movement of crude oil has been interrupted again by the guerrilla action. The rebels have intensified their attacks in the last 20 days to the point where the 200,000 barrels of oil that are transported daily have rarely been able to reach their destinations.

This is the 25th attack on the pipeline installations so far this year. It has resulted in more than 3 billion pesos in losses for Ecopetrol [Colombian Petroleum Enterprise].

In the recent attacks on the pipeline, the repairs, which used to be made in hours have been delayed because the rebels mine the area.

As of 12 June, workers and equipment have been unable to reach the site of the explosion because booby traps have been planted in the area. In a similar attack on 11 June, two Ecopetrol technicians were seriously wounded by booby traps.

Peace Adviser Urges Guerrillas To Stop Attacks

PA1306031892 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1630 GMT 12 Jun 92

[Report by Hernas Estupinan]

[Text] Today Peace Adviser Horacio Serpa Uribe asked the guerrillas how many more deaths would be required for them to finally negotiate peace.

The Colombian Government issued a strong call today to the guerrilla commanders to suspend a recent order to unleash a terrorist offensive against the country. At the same time, it pleaded with them to courageously face the challenges inherent in creating spheres of coexistence.

These were the terms used by Presidential Peace Adviser Horacio Serpa Uribe in an open letter addressed to the ELN [Army of National Liberation] and the CNGSB [Simon Bolivar National Guerrilla Coordinating Board]. Peace Adviser Serpa Uribe points out, once again, that the solution at hand lies in resuming the peace talks.

[Begin recording] [Serpa Uribe] What I want to say to [ELN leaders] Manuel Perez [alias Poliarco] and Gabino [Nicolas Rodriguez Bautista] is that we cannot continue using social issues as a pretext to justify continuous armed attacks.

[Unidentified reporter] By this, are you calling for a resumption in the peace dialogue?

[Serpa Uribe] That has always been the government's position. However, it does not want a resumption in the peace dialogue just to turn it into a guerrilla visit. [end recording]

Nevertheless, Presidential Designate Humberto de la Calle Lombana stated that for now conditions were not given to resume the peace dialogue.

[Begin De la Calle recording] Much has been said about the hypothetical resumption of dialogue in the near future, maybe sometime during the month of October. However, it is important to honestly say that there is not an appropriate climate for dialogue at this time. No one

would understand a dialogue at this time. I believe that the possibility of a dialogue is quite remote, at least for now. [end recording]

Ecuador

Zimbabwean President Mugabe Meets With Borja

PA1006230692 Quito Voz de los Andes in Spanish 1130 GMT 10 Jun 92

[Text] Robert Mugabe, president of Zimbabwe, arrived in Ecuador for an official visit and met with Ecuadoran President Rodrigo Borja to coordinate the future roles of the two countries at the UN Security Council.

After a brief visit to Cuba, Mugabe arrived in Quito for a two-day official visit and immediately met with Borja behind closed doors.

The first African chief of state to visit Ecuador was greeted by Borja and his minister with the highest honors at the Mariscal Sucre Air Base in Quito by a ceremony that included a 21-gun salute.

Ecuador and Zimbabwe are members of the UN Security Council, and the visit will serve to coordinate future participation and to strengthen South-South dialogue, said an official spokesman.

President Mugabe's visit is within the framework of Africa's rapprochement to Latin America with a government we traditionally only maintained contact with at the United Nations, he added.

A Foreign Ministry spokesman said it is not foreseen that any agreements will be signed when the Zimbabwean president's visit ends on 11 June.

After visiting Ecuador, President Mugabe will go to the Earth Summit in Rio de Janeiro, Brazil.

Official sources reported that Ecuador and Zimbabwe maintain diplomatic relations through their representatives at the United Nations in New York, but there is no trade between the countries.

President Mugabe will meet twice with President Borja and on 10 June will visit briefly the port of Esmeraldas, 320 km northwest of Quito and an important enclave of the black African culture in Ecuador, to visit a petroleum refinery and participate in a traditional feast.

Mugabe will later hold a news conference in Quito, where he was declared Illustrious Guest by Mayor Rodrigo Paz, who presented him with the keys to the city.

Visits Esmeraldas Province

MB1106094792 Johannesburg SAPA in English 0822 GMT 11 Jun 92

[Text] Quito, Ecuador June 11 SAPA—Zimbabwean President Robert Mugabe, who is in Ecuador en-route to the Earth Summit in Brazil, has capped his two-day official visit with a tour of a predominantly black inhabited province in this north-west South American country. The Zimbabwe news agency ZIANA reports that Mr Mugabe, who arrived on Tuesday [9 June] in the Ecuadorian capital, Quito, from Havana, Cuba, met blacks in the province of Esmeraldas and urged them to work hard to improve themselves and develop their country. "Blacks are part of the nation. They must seize every opportunity to develop their own skills to contribute towards the development of their country," he said.

Ecuador, a Latin American state of 10 million people in the north west of the continent, has 32 universities, which Zimbabwean students could greatly benefit from, the president said. He said Ecuadorian experts in agriculture and other technical fields were welcome to work in Zimbabwe, which had a lot to learn from its new Latin American friend as it was more advanced.

Mr Mugabe said if the relationship and co-operation between the two countries blossomed, there was a possibility of establishing diplomatic relations. The deciding factor, he said, was money, but this could be overcome if the relations and co-operation were of tremendous benefit.

Ecuadorian President Rodrigo Borja Ceballos told a news conference he would send a diplomatic representative to Zimbabwe to strengthen the relations between the two countries.

Mr Mugabe leaves Quito for Rio de Janeiro, Brazil on Thursday where he will join more than 100 heads of state and government attending the Earth Summit.

Urges Pressure on Bush in Rio

MB1106092592 Johannesburg SAPA in English 0836 GMT 11 Jun 92

[Text] Quito, Ecuador, June 11 SAPA—Zimbabwe's President Robert Mugabe has appealed to Third World countries to put pressure on U.S. President George Bush to sign the Climatic Changes and Biodiversity Treaties he is refusing to endorse for fear of hurting the American economy, the news agency, ZIANA, reports. "It is our duty to exert pressure on the United States so that eventually it changes its position," Mr Mugabe told a press conference in the Ecuadoran capital, Quito, on the second day of his visit and the first by an African head of state.

President Mugabe said President Bush was sacrificing the long-term protection of the environment for personal gains. "The United States should put the interests of the globe at heart. Bush has an eye on the elections," said Mr Mugabe, adding that the American President was being subjective.

Most of the world, he said, subscribed to the Treaties on Climatic Changes and Biodiversity. "America has been isolated. It is the only country refusing to subscribe to biodiversity," he said.

Holds News Conference

PA1206230192 Quito Voz de los Andes in Spanish 1130 GMT 11 Jun 92

[Text] After touring Esmeraldas Province, Zimbabwean President Robert Mugabe hosted a joint news conference with his Ecuadoran counterpart, Rodrigo Borja Ceballos, at the Government Palace. Mugabe emphasized the cordiality of the Ecuadoran people and reiterated that his visit will intensify the friendship ties between Zimbabwe and Ecuador.

Concerning the Eco-92 environmental meeting being held in Brazil, he pointed out that Zimbabwe has many points of agreement with Ecuador over the defense of the environment. At the same time, he condemned the U.S. attitude of refusing to sign the Biodiversity Treaty.

[Begin Mugabe recording, in English with passage-by-passage translation into Spanish] I have discussed with President Borja the need all countries have to cooperate in various areas. One of these very important areas is evidently the environment. We are sure we must bear in mind the environment in the entire economic and social development process.

At present, the Earth Summit is being held in Rio de Janeiro. I am very glad that the Third World countries are very united at this conference and have formed a common front to show that the peoples must be conditioned to respect the environment in their development. It is very important to see that two very important treaties have been signed here. One of them refers to the changes in the climate and the other one is on biodiversity.

You have asked me what Zimbabwe's attitude is concerning the U.S. refusal to sign the Biodiversity Treaty. As you have read, the United States has been isolated. It is the only country that has refused to sign that treaty.

Perhaps President Bush thinks his electoral campaign is more important than the Biodiversity Treaty. Nonetheless, we think that the U.S. public must receive more adequate information. They must understand they live in one of the countries that has exploited more of the natural resources of this world. They must understand that technical development cannot continue to be subordinated to the comfort of one country, no matter how important it may be. The United States must develop an awareness of what is contained in the Biodiversity Treaty. [end recording]

Electoral Tribunal Gives May Election Results

PA1006161892 Quito Voz de los Andes in Spanish 2300 GMT 9 Jun 92

[Report by Francisco Sanchez in Quito]

[Text] The Supreme Electoral Tribunal [TSE] has confirmed, three weeks after the 17 May general elections, the opposition conservative candidate's victory in the elections to appoint Social Democratic President Rodrigo Borja Ceballos' successor.

TSE President Tito Cabezas has officially revealed the voting results: Republican Unity Party received 32 percent of the votes; the Social Christian Party, list No. 6, received 25 percent; the Ecuadoran Roldosist Party is in third place with 21 percent of the votes; and the Democratic Left is in fourth place with 8 percent of the votes. Following is TSE President Tito Cabezas on the results of elections held in the country's 21 provinces:

[Begin recording] [Cabezas] The tallying process has ended in the country's 21 provinces and we have the official results on the votes obtained by the presidential tickets. According to the tally, the two tickets which obtained the most votes are the Sixto Duran Ballen-Alberto Dahik ticket and the Jaime Nebot-Galo Vera ticket. Neither obtained the required 50 percent plus one of the votes, which would mean there was no need for a runoff election. Since neither obtained a majority we must hold a runoff election, according to the law. This will occur on 5 July. Referring to national deputies, the figures have been established and they were read this afternoon. The mathematical calculations will be carried out to allocate the posts.

[Unidentified reporter] Has everything been done according to schedule?

[Cabezas] Everything is more or less according to schedule. Some minor delays were reported in Guayas but the problem was overcome and the tribunal has begun to work as usual.

[Reporter] Talking about other province groups, have any of the results been challenged?

[Cabezas] No, no, no. None of the groups.... [pauses] Let us say that some challenges have been filed concerning the appointment of municipal or local authorities. The TSE has started to review these cases and it will continue to review them in the near future.

[Reporter] Will the runoff elections be 100 percent better once all the problems have been overcome?

[Cabezas] The runoff elections will improve with the experience we acquired with the first election, but like any other human plan, it has errors and difficulties.

[Reporter] What about fraud?

[Cabezas] Fraud is a word which has begun to disappear from the Ecuadoran political vocabulary. We have seen the TSE play a defined role against an attempt to alter the figures, but this had no major consequences. It would not have been allowed. [end recording]

Peru

President Fujimori Promises Peace by 1995

PA1206141692 Lima Panamericana Television Network in Spanish 1200 GMT 12 Jun 92

[Text] The government has created the San Martin region by means of a decree, according to President Alberto Fujimori. He also announced the approval of the law on the Presidency Ministry, which will have three deputy presidency ministers.

The president reiterated peace will prevail in Peru by 1995. He praised the role of the Armed Forces and the National Police in the fight against the guerrillas.

[Begin Fujimori recording] As for the arrest of Mr. Polay, I want to say that it is an important step in the fight against terrorism. I am sure that in the next few days we will be able to make announcements regarding the progress being made in this regard. Of course, we will not rule out the possibility of capturing the Shining Path guerrilla leader at any time. As I said on 7 June, citizens can be sure that we are working hard. The police and the Armed Forces are working with dedication, intelligence, and professionalism. You will see results, but obviously, the intelligence work being done takes time. It is just as in any other country. We have the ETA [Basque Fatherland and Liberty] in Spain, the IRA in Britain, etc., but we are doing a good job here. The country will have peace by 1995. [end recording]

Minister Wants 'Subversive Groups' To Surrender

PA1306005292 Lima Panamericana Television Network in Spanish 1200 GMT 11 Jun 92

[Text] Interior Minister Juan Briones Davila has called upon the members of the subversive groups to lay down their weapons and reenter society. He gave them 15 days to turn themselves in and take advantage of the benefits the law offers in these cases. He made the announcement during a news conference called to discuss the arrest of Victor Polay Campos, a leader of the Tupac Amaru Revolutionary Movement [MRTA], who was taken before the 3d Court of Proceedings.

[Begin Briones recording] As you know, this man, along with a large number of members of his group being held at the Castro Castro Penitentiary, escaped almost two years ago through a tunnel. Instead of causing us dismay, this escape served as an encouragement for a stronger fight against terrorist criminals who are trying to destroy our society. I now announce that we have delivered a heavy blow to terrorism: the capture of criminals Miguel Rincon and (Nestor) Serpa Cartolini.

Although we have had total success, political and military leaders and the people must not be careless. Regarding this, I am sure that the blow inflicted on this terrorist group after the capture of its highest leader is a significant step toward victory over the MRTA. Upon his arrest, criminal Polay Campos became the first candidate eligible to be sentenced to life in prison under the new counterterrorist legislation. He is directly responsible for many murders and for the destruction of millions of dollars in public and private property. [end recording]

Parties Reject Participating in National Dialogue

PA1306033192 Lima Global de Television Network in Spanish 0100 GMT 13 Jun 92

[Text] On 12 June the political parties announced that they will not participate in the national dialogue sponsored by the government. The parties said the negotiations must essentially deal with the country's return to constitutional order. The agreement was adopted following a meeting at former Senator Maximo San Roman's house.

Representatives of different political groups met with San Roman, who was appointed president of the Republic by the dissolved Congress, and discussed the government's proposal to participate in a national dialogue on 30 June. Hours later, they signed a letter addressed to Minister Jaime Yoshiyama, acting president of the Council of Ministers, stating they will only participate in a political dialogue that exclusively deals with restoring democracy. They add the parties have no authority to give statements on the so-called national dialogue. The letter also says the resolution issued following the ad hoc OAS foreign ministers' meeting states a priority dialogue must be held with the country's political groups.

Meanwhile, Maximo San Roman said an essential condition for a dialogue is that the government must show honesty and seriousness when calling a dialogue:

[Begin recording] [San Roman] The government is confused because it issued the summons for a national dialogue to all the country's representative organizations. I think more than 3,000 people have registered, plus 10 political party representatives. This would be 3,010 people, right?

[Unidentified reporter] Personally speaking, what do you demand as a minimum condition to participate in the national dialogue?

[San Roman] Seriousness, seriousness; Mr. Fujimori should not mock the people.

[Reporter] Regarding that seriousness, how could this be possible? What steps are necessary?

[San Roman] It should be a dialogue that includes a number of representatives from the de facto government and a number of leading political party representatives—or those who are appointed. We must start the dialogue. We cannot wait any longer.

[Reporter] Do you believe the government is mocking the country with the summons?

[San Roman] What summons?

[Reporter] The summons for a dialogue [words indistinct].

[San Roman] I think it is somewhat confused. I would not like to comment on that. I think it is somewhat confused because it apparently refers to a national dialogue with all the representative organizations. That would be a mockery, if that is the case.

[Reporter] Does it mean you would not participate in the dialogue?

[San Roman] I am not a member of a political party. I think the OAS resolution clearly specifies who will participate in the dialogue, meaning the highest representatives of the de facto government with the representatives of political parties accredited, who participated in the national congress. [end recording]

Government Postpones Municipal Elections

PA1506040492 Lima Panamericana Television Network in Spanish 0100 GMT 15 Jun 92

[Excerpt] The government has just announced the postponement of municipal elections for no more than a month. Nevertheless, some political sectors continue to express their skepticism, saying that the elections will not take place this year. Despite all speculations, the candidates for mayor continue to prepare for their political campaigns, trying to win over the voters. [passage omitted]

Venezuela

President on Resignations, Earth Summit

PA1306015692 Caracas Venezolana de Television Network in Spanish 2315 GMT 12 Jun 92

[Speech by President Carlos Andres Perez at a ceremony to swear in new ministers at the Miraflores Palace in Caracas—live]

[Text] Venezuelan ladies and gentlemen: I address all my compatriots and those who have adopted Venezuela as their homeland to discuss recent events and to define clearly the policies of the government that I head.

As the country knows, the Social Christian Party, COPEI, decided to order the resignations of two COPEI members that it had authorized to form part of the cabinet. I must say that I regret this COPEI decision. It is one of the great parties in Venezuelan democracy. Its participation in the government from 10 March to date, helped give greater scope to public administration and to calm concerns—following the events in February—regarding the stability of Venezuelan democracy.

The reasons that led that party to authorize two of its leaders to form part of the national executive branch still exist, but I respect COPEI's decision. I sincerely deplore the fact that it should come at a time when there are clear signs of advancement in the achievement of the national agreement, agreement that important sectors of the community have promoted. Nevertheless, I am certain that, as its secretary general has said, COPEI will continue to firmly serve democracy, institutional stability, and peace in the Republic. I am certain there will continue to be concurring opinions in the legislative process and that they will surely be directed in the future toward that great national agreement in which COPEI has reiterated its pledge to participate.

I wish to express my recognition to Drs. Humberto Calderon Berti and Jose Ignacio Moreno Leon [outgoing foreign minister and investment fund ministers] who, over these past months, contributed their professional competence and their patriotic attitude to the tasks that we confronted in our efforts to overcome the crisis. As Venezuelans, professionals, and politicians, their actions were in keeping with their positions.

When I say that I respect but do not agree with COPEI's decision, it is because the apparent cause of this decision is incompatible with that fact that a crisis led to COPEI's patriotic decision to participate in the government. That crisis has not yet been completely resolved.

In exercising the constitutional right that empowers the president of the Republic to direct foreign policy, I requested the Senate's permission to attend the Earth Summit that is meeting in Rio de Janeiro. It is the first such summit to be held at the worldwide level. Moreover, it is taking place in a Latin American country that is Venezuela's neighbor. The two nations are especially linked to the Earth Summit, as part of Amazonia, and because they both pledged, in the Amazonic Pact, to uphold specific positions at this world summit.

It was agreed unanimously to hold this summit, not at the level of ambassadors to the United Nations or of the foreign ministers of the world's nations, but at the level of the heads of state themselves. Moreover, we also promised the monarchs and heads of states of OPEC that we would defend our rights in Rio de Janeiro in the face of a planned tax to be imposed against the oil-producing countries.

The Earth Charter, as well as basic conventions for the preservation of life on this continent, will be signed there, in the presence of over 140 heads of state from all the continents. Veneuela is a pioneer in Latin America, in its struggle for the conservation of the environment. The developing countries have a determinant role to play because of the number and diversity of the natural resources that we have and because of the natural heritage that we offer to humanity.

Venezuela has credentials to show, on the basis of which it can claim a contribution to the improvement of the environment and to international cooperation. We were pioneers among the developing countries in creating the first Ministry of the Environment in Latin America. We have established, in the Venezuelan Amazonia, one of the largest biospheric reserves in the world, to preserve

the cultural heritage of the Yanomi and Yecuana ethnic groups, and the biodiversity of the territories that they occupy.

We support the Third World Academy of Sciences, and we have promoted the Bolivar Program for technological integration in the region. It has been precisely under my administration, during my past and present terms, that these momentous decisions were made—decisions that make us specially qualified to participate in the Rio de Janeiro Summit.

With these reflections, I wish to indicate that my decision to attend was not a whim, nor was the topic under discussion frivolous. It is obvious that if I had left the country for a few hours, it would not have created any conflict with my obligations in Venezuela. On the contrary, it would have helped to assure sectors and countries with interests in Venezuela of the stability of our national process, which is very necessary to avoid discouraging investment in the country or harming our financial interests abroad.

I understand the concern about a trip abroad by the president of the Republic in view of the wave of rumors that are being circulated for a diabolic purpose, which is thwarted and defeated everyday: the purpose of destabilizing our democracy. Yet, this trip would have made it possible for me to demonstrate to Venezuelans that normalcy prevails in the country's institutions, and that I can meet the obligations as head of state, both in Venezuela and abroad.

There are moral and ethical reasons for noting the benefits—to Venezuela, its people, and present and future generations—that would have derived from my attendance at the Earth Summit. I did not participate in the parliamentary process. I simply explained the president's reasons for making this trip. I did not make argumentative statements in public, and although it was unnecessary and redundant, I insisted that, if the Senate did not grant authorization, I simply would not go. There was no action that could be criticized or censured on ethical bases either by me, or my government, toward the Congress or any legislator. The parliamentary skirmish that occurred was regrettable and inexplicable, because if any visit could be termed unobjectionable, it was that one. There was no need for an incident concerning a decision of that magnitude. In any case, I reiterate my respect toward COPEI and its leaders.

The country is asking with concern and anxiety what course it must follow. I want to confirm that the solution lies in concretizing the great national agreement that we had begun to promote among various sectors. It has been proven that without the political parties, the agreement cannot progress; but it has also been proven that the political parties alone are not enough.

I have actively encouraged participation in this agreement—which is becoming increasingly necessary, even essential—among the Political sectors, the clergy, businessmen, labor, intellectuals, and the media. The agreement should reflect the demands and possibilities established by Venezuelan society.

I must say in response to many confused or mistaken comments that at no time have I disregarded or cut myself off from my commitments. I have a clear perception of the crisis we are experiencing. However, without losing my perspective on the firmness of our democratic regime—upon which I have guaranteed my decisions—and without hesitation or fear regarding the strength of that regime, our democracy must, nevertheless, be consolidated and fortified.

I must say with a thoughtful sense of responsibility that most of the recommendations made by the Presidential Advisory Council regarding specific measures by the executive branch have been executed or are in the process of being executed. However, I am aware that the country has not felt any fundamental changes.

There are things that can be done right away. Some of them depend on the executive branch, and others depend on the other branches. We are going to carry them out at once. That is the invitation I am extending to all the state institutions.

The reformation of the political parties, the reformation of the suffrage law to shorten campaigns, the judicial reform laws to rescue the judicial branch and efficiently combat corruption, and the comptrollership law—along with measures being adopted by the national executive branch—are all elements that, if approved and shared by everyone who is struggling for reforms, will pave a path of tranquillity and hope for Venezuelan society.

When I speak of broadmindedness, I strongly emphasize it. I am willing to meet with all sectors, even those that have shown themselves to be the government's bitter enemies; even those who, for reasons that I will not discuss, have made me the butt of their harshest remarks.

This is the hour of solidarity and broadmindedness. I call upon the conscience of the Venezuelan people. Difficulties are essential to clearing the path and returning confidence and tranquillity to the country. Let's get to work!

New Ministers Comment on Duties, Priorities

PA1306013392 Caracas Venezolana de Television Network in Spanish 0000 GMT 13 Jun 92

[Text] President Carlos Andres Perez swore in his new cabinet ministers in the Mirror Room. General Fernando Ochoa Antich was appointed foreign minister, Air Force Gen. Ivan Jimenez Sanchez was appointed defense minister, and Carlos Hernandez Delfino was appointed investment fund minister. The three ministers, well aware of their responsibility toward the nation made the following statements:

[Begin recording] [Jimenez Sanchez] My priority at this post is to continue implementing the social projects and the official plans regarding the every day problems we have, such as drug trafficking, garimpeiros [Brazilian gold seekers] etc., and, of course, to keep the Armed Forces united as we have up until now.

[Unidentified reporter] [Question indistinct]

[Jimenez Sanchez] I am convinced the Armed Forces have always been united and they will continue to be united.

[Ochoa Antich] I plan to continue in the footsteps of my predecessor, an exceptional Venezuelan, Humberto Calderon Berti.

[Reporter] How do you see the Armed Forces?

[Ochoa Antich] I see it in a restructuring process and basically internally united.

[Reporter] What are your immediate plans?

[Hernandez Delfino] My immediate plans are to confirm the restructuring process of the decentralized public sector and the privatization of the state-run companies in the way it is currently being carried out, while at the same time trying to overcome the diverse obstacles that will certainly affect this process. I am referring to the modifications the privatization law will have to undergo. All this effort will have to be oriented to achieve the ultimate goal to obtain the maximum social well-being for the Venezuelan people.

[Reporter] What are those modifications?

[Hernandez Delfino] There are several aspects that must be modified. I can mention two right now. The first is to simplify authorization allowing for the initiation and conclusion of privatization. The second aspect deals with managing the privatization funds. The current law establishes—in my opinion—certain rigid concepts that do not permit a more efficient application of those resources. [end recording]

Development Minister Submits Resignation

PA1506015592 Paris AFP in Spanish 0004 GMT 15 Jun 92

[Excerpt] Caracas, 14 Jun (AFP)—Development Minister Pedro Vallenilla tendered his resignation on 14 June in a letter addressed to Social Democrat President Carlos Andres Perez and published by the news media. In his letter, Vallenilla informed the president that he had made his decision because the two Social Christian Party [COPEI] ministers in the cabinet resigned on 11 June and because the recommendations made to the president by the Presidential Consultative Council to overcome the current political crisis were difficult to implement. [passage omitted]

COPEI Deputy To Present Plan To Solve Crisis

PA1406043392 Caracas Venezolana de Television Network in Spanish 0000 GMT 14 Jun 92

[Text] COPEI [Social Christian Party] Deputy Paciano Padron will present a plan to study the possibility of reducing constitutional terms of office to the COPEI Directorate on 15 June. He sees this as a sensible way of solving the crisis the country is experiencing. The Social Christian deputy believes that the current democratic crisis exists mainly because the country has had bad governments and an even worse opposition in the last few years. He added that there is a need to promote change within a legal framework, so that Venezuelans may regain confidence and serenity.

[Begin Padron recording] There are two ways to achieve this. Either the constitutional resignation of the president or a reduction in the terms of all those elected in December 1988. This is because we have lost legitimacy and representation. Reducing the term would seem to be the easier way, because we have seen how difficult resigning is for Carlos Andres Perez. Even saying no to the trip to Rio de Janeiro meant risking everything and losing a great many things. Therefore, we will promote the reduction of constitutional terms of office as a way of strengthening Venezuelan democracy and bringing harmony back to the people. [end recording]

The COPEI deputy said that the appointment of General Fernando Ochoa Antich as foreign minister was a positive move. He believes that, although Ochoa Antich is not a specialist in foreign policy matters, he is an intelligent soldier and a fine manager, who will be wise in recruiting those who will help him direct the nation's foreign policy.

Leftist Leaders Comment on COPEI Withdrawal

PA1306143992 Caracas Venezolana de Television Network in Spanish 0000 GMT 13 Jun 92

[Text] Various politicians, including leftists, have voiced their stand concerning the departure of the Social Christian Party [COPEI] from the government. Freddy Munoz and Teodoro Petkoff, two important representatives of the Movement Toward Socialism, said COPEI's participation in the government had been null. The two leaders said there had been very little productivity, and COPEI had taken advantage of its position and decided to leave President Perez on the first opportunity.

[Begin recording] [Petkoff] I believe that both joining and leaving the government were two irresponsible and opportunistic acts. They joined the government out of opportunism and electoral calculation and they left the government out of opportunism and electoral calculation.

[Munoz] Inasmuch as COPEI has decided to leave the government, after having joined it in a manner that definitely showed that it would fail, it now has the responsibility to decide if it will contribute with its votes in Congress so that the necessary reforms will take place

for the democratic solution of the crisis. Otherwise, COPEI will have added another responsibility to another new responsibility. [sentence as heard] [end recording]

Luis Enrique Oberto, president of the Chamber of Deputies, pointed out that COPEI will continue as a member of the opposition in parliament, and that discussions on the constitutional reforms will continue as scheduled.

[Begin Oberto recording] Concerning the most recent work done by the commission that is preparing a report, we approved on the afternoon of 11 June everything having to do with the reorganization of the Judiciary Branch. On the morning of 12 June we discussed the possibility of creating the post of prime minister. We have already concluded discussions on this topic. [end recording]

The various political opinions of COPEI's departure from President Perez' cabinet show there are still a great many contradictory and favorable positions on this issue. All such positions should be studied to solve the crisis.

AD Leader Remarks Further on COPEI Withdrawal

PA1306125992 Caracas Venezolana de Television Network in Spanish 0000 GMT 13 Jun 92

[Text] Democratic Action [AD] Party President Humberto Celli has said the departure of the Social Christian Party [COPEI] from the government is deplorable because COPEI was cooperating a great deal, not only with President Perez, but with the democratic system.

[Begin Celli recording] We must remember that based on an AD-COPEI agreement we said we had to reach a national agreement that would go beyond the two parties and would last beyond Carlos Andres Perez' constitutional term. In this manner, we could have incorporated political, social, cultural, religious, economic, labor union groups—in other words, Venezuelan society in general—into a grand national agreement. [end recording]

Caldera Says Perez Resignation 'Would Be Relief'

PA1306023692 Mexico City NOTIMEX in Spanish 1010 GMT 12 Jun 92

[Excerpt] Cocoyoc, Mexico, 12 Jun (NOTIMEX)—Former Venezuelan President Rafael Caldera Rodriguez said here that Venezuelan President Carlos Andres Perez' resignation "would be a relief and a sign of respect for the nation" because it would offer the opportunity to make a change without violence. Caldera is participating in an international symposium, "Latin American Culture and Politics," being held at this seaside resort in the central Mexican state of Morelos.

When interviewed by NOTIMEX, Caldera said: "This should occur before the abyss that exists between the will of the Venezuelan people and President Perez' policies becomes even deeper." Although Caldera said he was in favor of President Perez' resignation being "negotiated," he did not indicate in what manner this would take place.

The former president denied that the proposal would debase Perez because "it would be similar to what happened to Charles De Gaulle or to Margaret Thatcher, who had to resign when they no longer had the people's support." [passage omitted]

Calderon on COPEI Withdrawal, Perez Resignation

PA1406034792 Caracas Venezolana de Televison Network in Spanish 0000 GMT 14 Jun 92

[Report by Ricardo Matheus]

[Text] During a press conference on 13 June, Humberto Calderon Berti, who occupied the office of foreign minister for 93 days, reiterated that Venezuela can overcome the current crisis with the assistance of all honest Venezuelans determined to put aside party interests. Those interests only serve to corrupt the most basic values of our society.

According to former Foreign Minister Humberto Calderon Berti, Venezuela has significant moral reserves in its civil, military, and clerical ranks. He added that these groups must unite to lead the whole country toward the promotion of democracy.

These statements were made by the former foreign minister during a press conference to thank, first of all, President Carlos Andres Perez for the confidence entrusted in him. Second, to recommend that General Fernando Ochoa Antich, his replacement as foreign minister, continue using the advisory commission to get the best advice possible in the performance of his new duties.

Calderon Berti also stated that COPEI's [Social Christian Party] decision to withdraw from the government because of President Perez' intention to travel abroad was probably not the wisest choice. Nevertheless, President Carlos Andres Perez should not have insisted on traveling after the first parliamentary vote ended in a draw.

[Begin Calderon Berti recording] Just as we have demanded—and I have been involved in these demands—that President Fujimori prepare a timetable specifying dates and times when a return to democracy is expected to take place, I believe that we must also make the same efforts here in Venezuela. We must encourage basic groups of our society to prepare a timetable outlining specific dates that will lead to a real, genuine, efficient, and honest democracy. [end recording]

In conclusion, Mr. Calderon Berti pointed out that the resignation of President Carlos Andres Perez would merely create a vacuum, as well as result in a backward step for democracy in Venezuela.

Interior Minister on Trial of Former Guerrillas

PA1306023792 Caracas Venezolana de Television Network in Spanish 0000 GMT 12 Jun 92

[Report by Giovanni Daboin]

[Text] Interior Affairs Minister Luis Pinerua has said that there are indeed reasons to issue arrest warrants against former guerrillas Douglas Bravo and Francisco Prada because they are involved in subversive movements.

The minister said that the proceedings that kept the former guerrillas detained were interrupted because the legal deadline for their detention expired while a decision was being reached regarding jurisdictional criteria. However, he added, this does not mean that the trial is paralyzed. Quite the contrary, it remains open:

[Begin Pinerua recording] The control that Red Flag exerted over the various campuses of the Central University of Venezuela expanded to other universities and higher learning institutes. It created a new movement that named itself after Ezequiel Zamora, the man who allowed Red Flag to gain access to the high schools. This is how this agitation movement, which has caused dismay among the people, was born. [end recording]

Pinerua said that the government has not changed its original stand regarding the participation of leftist groups of the 1960's in the most recent student disturbances. Finally, the interior affairs minister again urged parents, representatives, and students to not allow deviants, who seek to subvert order and social peace in Venezuela, to manipulate their ideas and struggles.